

State of Hawai'i
DEPARTMENT OF LAND AND NATURAL RESOURCES
Division of Forestry and Wildlife
Honolulu, Hawai'i 96813

March 11, 2010

Chairperson and Members
Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawai'i

Board Members:

SUBJECT: REVIEW AND APPROVAL OF PROJECT RECOMMENDATIONS FOR
FUNDING FROM THE FISCAL YEAR 2010 LEGACY LAND CONSERVATION
PROGRAM (LAND CONSERVATION FUND)

SUMMARY:

Pursuant to H.R.S., section 173A-2.5, the Legacy Land Conservation Commission (the Commission) has produced recommendations to the Board of Land and Natural Resources on project selection for Fiscal Year 2010 (FY10) funding from the Legacy Land Conservation Program (LLCP). Pursuant to H.R.S., section 173A-5, the Department has sought and received the consultation of the Senate President and Speaker of the House of Representatives. This submittal summarizes these recommendations for the Board's review and requests approval for projects to receive FY10 LLCP funding.

BACKGROUND:

Legacy Land Conservation Commission Recommendations:

For the Fiscal Year 2010 application cycle, the LLCP announced up to \$3 million available in project funding from the Land Conservation Fund (LCF) for the purchase of lands having value as a resource to the State. Applicants were informed that, due to the fiscal situation, the issuance of final awards was uncertain, however, the Department was proceeding with the grant process while the situation evolved. Nonprofit land conservation organizations, county agencies, and State agencies applied for funding for 14 separate resource land acquisition projects for the September 16, 2009, application deadline. The Commission made the following recommendations to the Board:

- A. To recommend projects for funding in order prioritized; and, if additional funding becomes available, provide further funds to projects as ranked (in order of priority):
 - (1) County of Hawai'i and The Trust for Public Land, \$945,000 for the acquisition of 10.61 acres on the Island of Hawai'i, coastline lot within Pao'o ahupua'a, North Kohala District.

- (2) Department of Hawaiian Homelands and The Trust for Public Land, \$500,000 for the acquisition of 63.701 acres on the Island of Maui, 'ili of Paukukalo, ahupua'a of Wailuku and Wai'ehu, in the Wailuku District, to be held by the State DHHL.
 - (3) Department of Land and Natural Resources, Division of Forestry & Wildlife, \$500,000 for the acquisition of a conservation easement over 614 acres on the Island of Moloka'i, East Moloka'i, Kainalu; mauka of Kamehameha. V Highway.
 - (4) Kaua'i Public Land Trust and the County of Kauai, \$800,000 for the acquisition of 0.74 acre on the Island of Kaua'i, on Hanalei Bay directly next to the Hanalei Pier, to be held by the County of Kauai.
 - (5) Kona Historical Society (KHS), \$301,250 for the acquisition of 2.11 acres on the Island of Hawai'i, South Kona, makai of Mamaloahoa Highway. (This request has been reduced by KHS to \$255,592.)
 - (6) The Trust for Public Land and Oahu Land Trust, \$500,000 for the acquisition of a conservation easement over 107.73 acres on the Island of O'ahu, ahupua'a of Ka'alaea, in the Ko'olaupoko District, to be held by the Oahu Land Trust.
 - (7) Malu Aina Center for Non-Violent Education and Action and the Hawaii Island Land Trust (HILT), \$231,788 for the acquisition of 11.14 acres on the Island of Hawai'i, Puna District; ten miles south of Hilo, makai side of Highway 11, with a conservation easement to be held by HILT.
 - (8) HILT, \$35,000 for the acquisition of conservation easements over 6 acres on the Island of Hawai'i, Puna District; in Hawaiian Orchid Island Estates adjacent to Kahauale'e Natural Area Reserve.
- B. To remove the DLNR Historic Preservation project for acquisition of 40 acres on the Island of Kauai from consideration for funding.
- C. To remove the Cave Conservancy of Hawaii project for acquisition of 24 acres on the Island of Hawaii from consideration for funding.

In summary, the Commission recommended eight projects for full funding. After these recommendations were made, KHS secured additional matching funds and reduced its funding request to \$255,592. Thus, the total amount of recommended awards from the Commission is \$3,767,380. Details on each project are included in the discussion below and in the attached table of ranked projects (Attachment I).

Legislative Consultation

On February 4, 2010, Department staff and the Commission Chair met with Speaker of the House of Representatives Calvin Say, Senate President Colleen Hanabusa, Senate Vice President Russell Kokubun, and Representative Kenneth Ito to seek the consultation of these legislators regarding the Commission's recommendations, pursuant to H.R.S. Chapter 173A. The legislators advised that the

Commission's recommended projects be funded, provided that all projects are able to secure needed matching funds by March 31, 2010. The Senate President and Speaker of the House of Representatives confirmed this advice in a follow-up letter dated February 22, 2010 (Attachment III).

DISCUSSION:

The following discussion describes the details surrounding each of the Legacy Land Conservation Commission's recommended projects.

County of Hawai'i and the Trust for Public Land (TPL), \$945,000 for the acquisition of 10.61 acres on the Island of Hawai'i, coastline lot within Pao'o ahupua'a, North Kohala District.

The County of Hawaii and TPL requested funding for a parcel of land, TMK (3) 5-7-001:005, in North Kohala, Island of Hawaii, for the protection of coastal, cultural, natural, and recreational values. The land is being acquired by the County with technical assistance from TPL and \$960,000 in secured matching funding from the County.

The land will be held by the County of Hawaii as a park and managed in consultation with agencies, organizations, and community groups that have a long-standing relationship with the land and resources.

TPL's Hawai'i Mission Statement is as follows: "TPL actively works to conserve the cultural landscape of Hawai'i. Through our projects we seek to engage local communities in protecting native natural and cultural resources. Coastal lands and lands that perpetuate Hawaiian culture are our immediate priority." TPL is a nonprofit organization exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code (IRC).

Department of Hawaiian Homelands (DHHL) and TPL, \$500,000 for the acquisition of 63.701 acres on the Island of Maui, 'ili of Paukukalo, ahupua'a of Wailuku and Wai'ehu, in the Wailuku District, to be held by the State DHHL.

DHHL and TPL requested funding for a parcel of land, TMK (2) 3-3-001:001, in Paukukalo, Wailuku District, Island of Maui, for the protection of agricultural production, wetlands, coastal resources, and cultural values. The land will be acquired by DHHL with technical assistance from TPL. Approximately \$2,522,300 in matching funding from federal, county, and private sources is pending for this project.

The land will be held by DHHL and managed in conjunction with regional Hawaiian Homestead Associations and the Neighborhood Place of Wailuku (NPW). NPW currently leases 8 of the 64 acres and uses the property as a base for its Cultural Strengthening and Land Stewardship Programs.

Department of Land and Natural Resources (DLNR) Division of Forestry & Wildlife (DOFAW), \$500,000 for the acquisition of a conservation easement over 614 acres on the Island of Moloka'i, East Moloka'i, Kainalu; mauka of Kamehameha. V Highway.

DOFAW requested funding for acquisition of a conservation easement over a parcel of land, TMK (2) 5-7-005:022, in Kainalu, East Molokai, Island of Molokai, for the protection of watershed, habitat, natural areas, and agricultural production. The conservation easement will be purchased by DOFAW

with approximately \$4,274,000 in secured matching funds from private sources and federal grants, including the Forest Legacy Program and Recovery Land Acquisition Program.

The conservation easement will be held by DOFAW and monitored for the protection of the watershed, habitat, natural, and agricultural values of the land. The owner will continue ranching activities, watershed protection, and habitat restoration for the preservation of native species.

Kaua'i Public Land Trust (KPLT) and the County of Kauai, \$800,000 for the acquisition of 0.74 acre on the Island of Kaua'i, on Hanalei Bay directly next to the Hanalei Pier, to be held by the County of Kauai.

KPLT and the County of Kauai requested funding for a parcel of land, TMK (4) 5-5-001:011, in Hanalei, Kaua'i, for the protection of its recreational, open space, and natural values. KPLT will provide approximately \$3,070,000 in matching funds. KPLT has secured approximately \$1,850,000 million in County funding, \$520,000 in land value donation, and is seeking the remaining needed funds from the county.

The County of Kauai will hold and manage the property as part of Black Pot Beach Park for the protection of its coastal, open space, and recreational values.

KPLT's mission is working with others to use land conservation tools to preserve Kaua'i's places of the heart. KPLT is a nonprofit organization exempt from federal taxation under section 501(c)(3) of the IRC.

Kona Historical Society (KHS), \$255,592 for the acquisition of 2.11 acres on the Island of Hawai'i, South Kona, makai of Mamaloahoa Highway.

KHS requested funding for a parcel of land, TMK (3) 8-1-004:074, in Kona Mauka, Island of Hawai'i, for the promotion of the farm's historical and cultural values. The parcel is being acquired from a private owner by KHS. KHS has secured approximately \$160,000 in matching private funds for the acquisition.

KHS plans to use the property as an open-air museum that presents daily life on a typical Kona ranching homestead and also as a building site for a climate-controlled facility for storage and archiving of historical artifacts, documents, and public records.

KHS's mission is to collect and preserve information about the history of the Kona district. KHS is nonprofit corporation and is exempt from federal taxation under section 501(c)(3) of the IRC.

Oahu Land Trust (OLT) and TPL, \$500,000 for the acquisition of a conservation easement over 107.73 acres on the Island of O'ahu, ahupua'a of Ka'alaea, in the Ko'olaupoko District, to be held by the Oahu Land Trust.

OLT and TPL requested funding for the purchase of a conservation easement over a parcel of land, TMK (1) 4-7-007:015, for the protection of agricultural, watershed, and open space values. OLT and TPL have secured \$1,657,050 in matching funds from private and county sources.

The conservation easement will be held by OLT for the protection of its agricultural and open space values, which, due to its zoning and location, are vulnerable to loss through development. The owner will continue to operate the property as a scenic tropical garden offering guided tours and rental facilities.

OLT's mission is to protect and perpetuate Oahu's natural and cultural heritage by actively working with communities to acquire and conserve land. OLT is a nonprofit corporation and is exempt from federal taxation under section 501(c)(3) of the IRC.

Malu Aina Center for Non-Violent Education and Action (Malu 'Aina) and the Hawaii Island Land Trust (HILT), \$231,788 for the acquisition of 11.14 acres on the Island of Hawai'i, Puna District; ten miles south of Hilo, makai side of Highway 11, with a conservation easement to be held by HILT.

Malu 'Aina requested funding for a parcel of land, TMK (3) 1-7-002:016, south of Hilo in the Puna District, Island of Hawai'i, for the protection of its agricultural, natural habitat, and open space values. The parcel is being acquired from a private owner and Malu 'Aina has secured approximately \$77,262 in matching private funds and land value donation for the acquisition.

Malu 'Aina plans to manage the land for the preservation of its agricultural values and the expansion of its community-supported organic farming operations. Malu Aina will provide a conservation easement to the HILT to ensure the long-term protection of the land.

Malu 'Aina is an all-volunteer nonprofit organization that grows food to share with people in need and works for justice, peace and preserving the environment. Malu 'Aina is a nonprofit organization exempt from federal taxation under 501(c)(3) of the IRC. HILT's motto is "Malama Ka Aina, Pulama Na Mea OIwi," ("care for the land, cherish the spirit and the culture of the land and its people"). HILT is a nonprofit organization exempt from federal taxation under section 501(c)(3) of the IRC.

HILT, \$35,000 for the acquisition of conservation easements over 6 acres on the Island of Hawai'i, Puna District; in Hawaiian Orchid Island Estates adjacent to Kahauale'e Natural Area Reserve.

HILT requested funding for five conservation easements over parcels of land, TMKs (3) 1-1-029:001, (3) 1-9-009:052, (3) 1-9-009:053, (3) 1-9-014:035, and (3) 1-9-014:036, in the community of Volcano in the Puna District, Island of Hawai'i, for the protection of forest canopy, native bird habitat, natural areas, and scenic resources. Landowners will be donating easements for a total estimated land value donation of \$20,000, LLC funds are to be used for the reimbursement of permissible acquisition costs (limited to appraisal, title, survey, and environmental assessment costs).

HILT will hold and monitor the five conservation easements for the preservation of native forest and plant communities in perpetuity. The owners will continue present activities and residences while cooperating with HILT to maintain the forest canopy.

DOFAW Recommendations

In summary, in its recommendations below, DOFAW advises the Board to approve the projects selected by the Commission and impose the March 31, 2010, deadline set by the legislators. The total amount of recommended awards is \$3,767,380.

RECOMMENDATIONS:

That the Board:

1) Approve the acquisition of the following parcels and authorize the Chairperson to execute a letter of offer to the landowner and encumber funds, under the FY10 LLCP ceiling, from the LCF for the following State project:

- a. Department of Land and Natural Resources (DLNR) Division of Forestry & Wildlife (DOFAW), \$500,000 for the acquisition of a conservation easement over 614 acres on the Island of Moloka'i, East Moloka'i, Kainalu; mauka of Kamehameha. V Highway.

Using a total of \$500,000 from the Hawai'i State Land Conservation Fund, provided that evidence of matching funds is secured by March 31, 2010, and subject to compliance with H.R.S., Chapter 173A, and the normal process and procedures for the acquisition of lands by the State.

2) Authorize the Chairperson to enter into agreements and encumber FY10 funds with the listed grant recipients for the following grants to nonprofit land conservation organizations and counties:

- a. County of Hawai'i and The Trust for Public Land, \$945,000 for the acquisition of 10.61 acres on the Island of Hawai'i, coastline lot within Pao'o ahupua'a, North Kohala District.
- b. Department of Hawaiian Homelands (DHHL) and The Trust for Public Land, \$500,000 for the acquisition of 63.701 acres on the Island of Maui, 'ili of Paukukalo, ahupua'a of Wailuku and Wai'ehu, in the Wailuku District, to be held by the State DHHL.
- c. Kaua'i Public Land Trust and the County of Kauai, \$800,000 for the acquisition of 0.74 acre on the Island of Kaua'i, on Hanalei Bay directly next to the Hanalei Pier, to be held by the County of Kauai.
- d. Kona Historical Society, \$255,592 for the acquisition of 2.11 acres on the Island of Hawai'i, South Kona, makai of Mamaloahoa Highway.
- e. The Trust for Public Land and Oahu Land Trust, \$500,000 for the acquisition of a conservation easement over 107.73 acres on the Island of O'ahu, ahupua'a of Ka'alaea, in the Ko'olaupoko District, to be held by the Oahu Land Trust.
- f. Malu Aina Center for Non-Violent Education and Action and the Hawaii Island Land Trust, \$231,788 for the acquisition of 11.14 acres on the Island of Hawai'i, Puna District; ten miles south of Hilo, makai side of Highway 11, with a conservation easement to be held by HILT.
- g. Hawaii Island Land Trust, \$35,000 for the acquisition of conservation easements over 6 acres on the Island of Hawai'i, Puna District; in Hawaiian Orchid Island Estates adjacent to Kahauale'e Natural Area Reserve.

Using a total of \$3,267,380 from the Hawai'i State Land Conservation Fund, provided that matching funds are secured by March 31, 2010; and subject to:

- a. compliance with H.R.S., Chapter 173A;
- b. compliance with H.R.S., Chapter 343;
- c. execution of a Grant Agreement with the BLNR;
- d. certification of an appraisal for each project by the Department;
- e. insertion of Legacy Land Conservation Program restrictions into the deed as a condition of contractual agreements with the grant recipients;
- f. approval of the Grant Agreement and of the Deed by the Attorney General's office;
- g. the approval of the Governor.

3) Authorize the Department to obtain State-contracted appraisals as needed to determine fair market value of the fore stated interests in property.

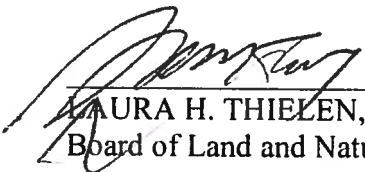
4) Authorize the Department to proceed with all due diligence and negotiations that may be necessary to carry out the grants and acquisitions mentioned above.

Respectfully submitted,



PAUL J. CONRY, Administrator
Division of Forestry and Wildlife

APPROVED FOR SUBMITTAL:



LAURA H. THIELEN, Chairperson
Board of Land and Natural Resources

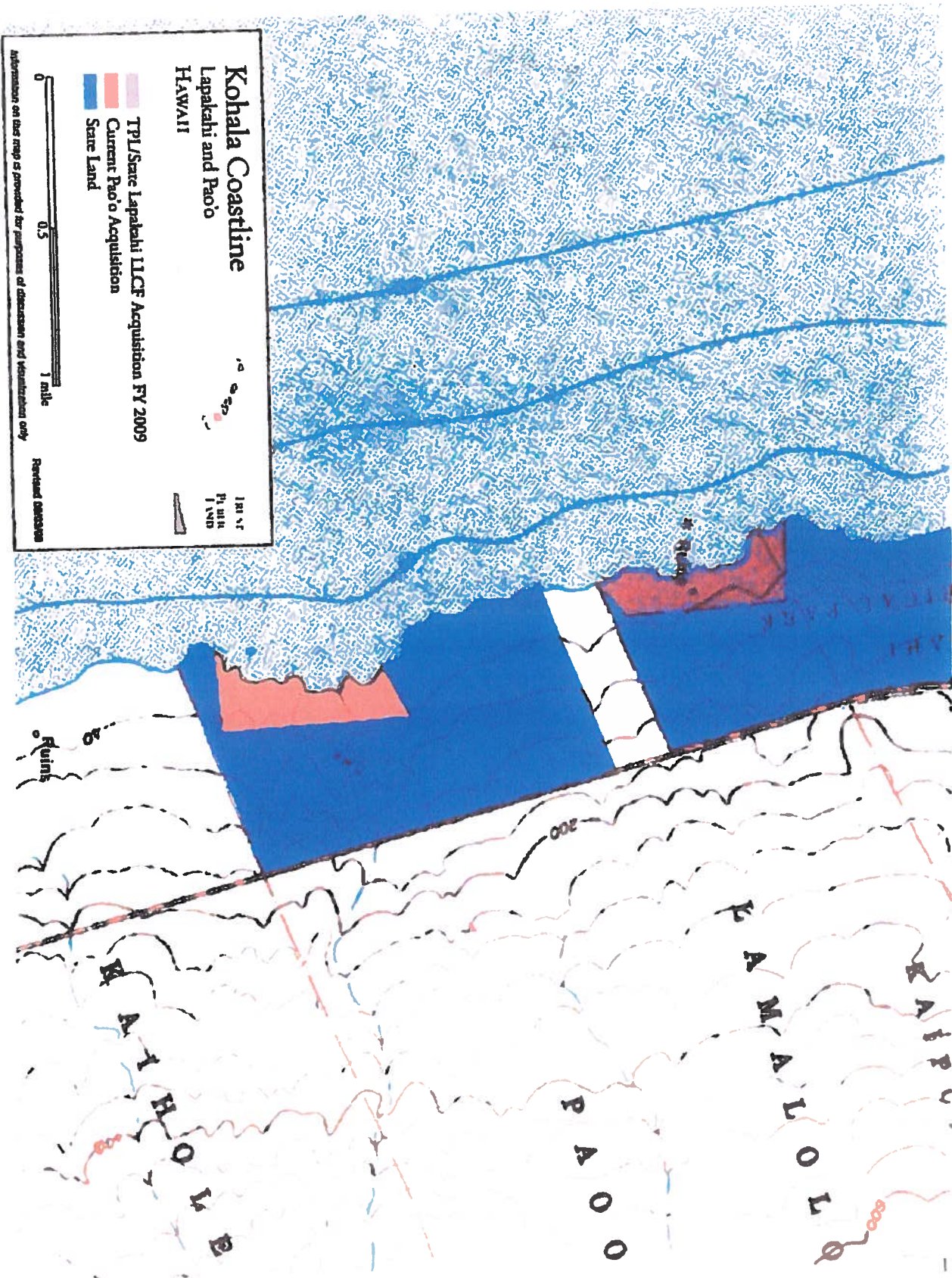
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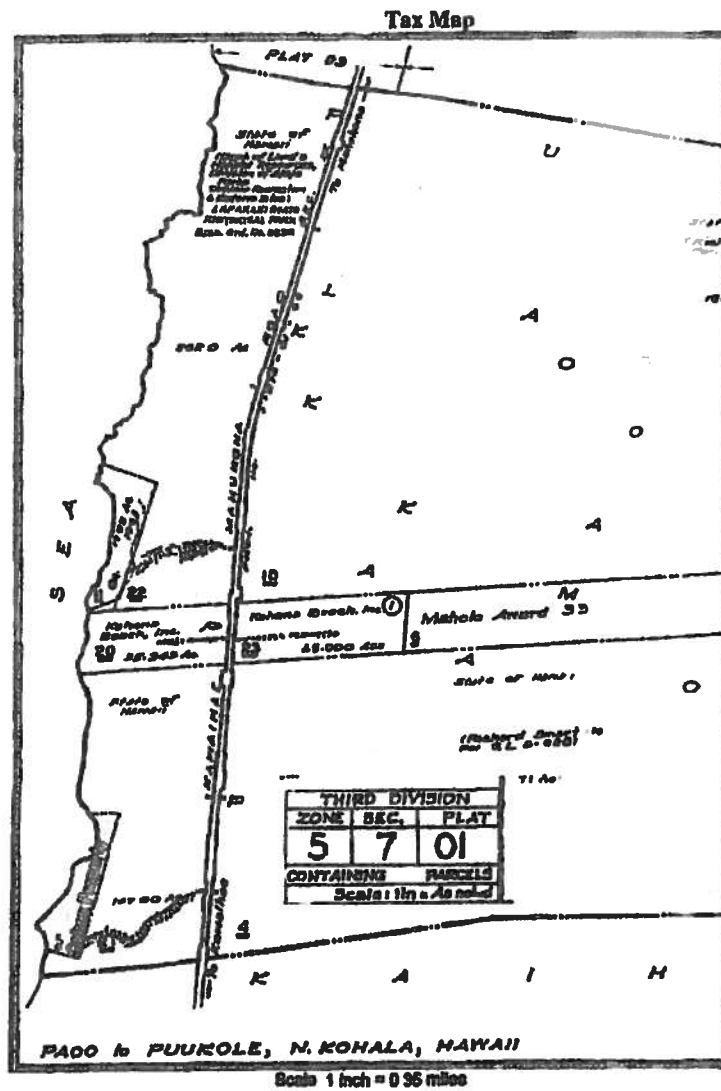
- Attachment I: Table of recommended awards for the Fiscal Year 2010 Legacy Land Conservation Program with individual project information attached
- Attachment II: February 22, 2010, letter from the Senate President and the Speaker of the House of Representatives

Fiscal Year 2010 Recommended Legacy Land Conservation Program Projects* (updated 2/25/10)

Project Title	Agency or Organization:	Interest / Holder	Location	Size (acres)	Estimated Matching Funds	Legacy Land Request	Total Project Costs
Pao'o	County of Hawai'i (assisted by TPL)	Fee / County	Coastal lot, Pao'o Ahupua'a, North Kohala District, Island of Hawai'i	10.61	\$960,000	\$945,000	\$1,905,000
Paukukalo Coastal Wetlands	State of Hawaii DHHL (assisted by TPL)	Fee / State	'Ili of Paukukalo Wailuku and Wai'ehu Ahupua'a, District of Wailuku, Island of Maui	63.701	\$2,522,300	\$500,000	\$3,022,300
Kainalu Forest Watershed	DLNR, Division of Forestry & Wildlife	CE / State	Mauka of Kam. V Hwy., 3300 ft. to 50 ft. elevation, East Moloka'i, Kainalu, Island of Moloka'i	614.00	\$3,524,000	\$500,000	\$4,274,000
Black Pot Beach Park Expansion	Kaua'i Public Land Trust and the County of Kauai	Fee / County	On Hanalei Bay next to Hanalei Pier, Hanalei, Island of Kaua'i	0.74	\$3,070,000	\$800,000	\$3,870,000
Purchase of Property for Org. Dev. & Expansion	Kona Historical Society	Fee / KHS	Below H.N. Greenwell Store, South Kona Mauka, Island of Hawai'i	2.11	\$160,000	\$255,592	\$415,592
Fong Plantation Cons. Easement	Oahu Land Trust (OLT) (assisted by TPL)	CE / OLT	Ka'alaea Ahupua'a, District of Ko'olaupoko, Island of O'ahu	107.73	\$1,657,050	\$500,000	\$2,157,050
Malu Aina Farmland Cons.	Malu Aina Center for Non-Violent Education and Action & Hawai'i Island Land Trust (HILT)	Fee / Malu Aina; CE / HILT	South of Hilo, makai of Highway 11, Puna District, Island of Hawai'i	11.14	\$77,262	\$231,788	\$309,050
Kipuka Mosaic Project	Hawai'i Island Land Trust (HILT)	CE / HILT	Hawaiian Orchid Island Estates, Puna District, Island of Hawai'i	6.00	\$30,000	\$35,000	\$65,000

*Maps and descriptions for each project are attached.





SECTION G. PROJECT DESCRIPTION.

1. Briefly describe the overall significance and importance of the property. Acquisition of this Property would: (1) protect important cultural sites from inappropriate development, and (2) maintain the natural landscape and views of the Kohala coastline makai of Akoni Pule Highway in a manner consistent with County plans and community wishes (discussed in par. 2 below). At least 27 archeological and cultural sites have been identified on the property (see attachments for map of sites), including habitation structures, burials, a shrine (ko'a), and canoe sheds. There are numerous terraces around the habitation structures which are strewn with 'ili'ili (small, smooth) pebbles. These terraces are likely to be areas where work was done by the households such as sewing of fishing nets, making fishing utensils, and weaving of lauhala mats. There are also small terraced planting areas located near the shallow gulches on the property. The habitation structures occur in clusters, each including several enclosed walled areas, which follow the traditional Hawaiian kaahale that generally included multiple structures including a hale mua (men's house), a hale moe (sleeping house), a hale umu (cooking house) and other structures. One of the canoe sheds is substantially larger than the others making it likely to have housed a double-hulled canoe (a larger canoe used for long distance voyages). The house site adjacent to the canoe shed is also larger with bigger walls, and could mean that the structures belonged to someone of higher status such as a konohiki.

2. Identify any conditions that threaten the significance and importance of the subject site.

Since 1980, the population of Hawai'i County has grown rapidly, particularly in North Kohala, where the number of residents has increased from 3,249 in 1980 to 6,038 in 2000, an increase of 86%, while the total Hawai'i County population increased by 62%. As a result of this rapid growth, the County and local community members have carefully considered future growth options, and have identified important future conservation areas. The County General Plan designates this Property as a conservation area. The North Kohala Community Development Plan states specifically that the coastline in this area makai of the Akoni Pule Highway should be protected. The County's Public Access, Open Space, and Natural Resources Preservation Commission ranked this Property the Number 2 priority on the island after Kāwā.

The landowner plans to develop the Property for a single family residence if the Property is not acquired for conservation purposes. He applied for a Conservation District Use Permit (CDUP) before the Board of Land & Natural Resources for a compound of detached structures totaling 4,064 square feet, and pools and decks occupying an additional 878 square feet. Additional support facilities would be built mauka on the Agricultural-zoned portion of the Property. Plans of the proposed residence are attached. Although the landowner voluntarily withdrew his CDUP application after a protracted contested case hearing, the landowner may re-file a CDUP application at any time, or avoid the CDUP process entirely by restricting development to those portions of the land in the Agriculture land use classification. The landowner has indicated that he plans to proceed with his plans to build a residence if this conservation purchase is not possible.

SECTION H. STEWARDSHIP AND MANAGEMENT

- 3. Briefly describe the proposed use of the acquired property including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits. What entity (if not the applicant) will manage the property/easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?**

The County's objectives for this project are to (1) eliminate the threat of development by purchasing the Property, and (2) once acquisition is accomplished, foster partnerships with public agencies and local community organizations to manage and care for the Property and cultural sites.

In the short-term, the County plans to allow continued public access to the shoreline for fishing, hiking, recreational purposes, and surfing. In the long term, the County will work with the local community and federal and state agencies to plan for future uses and management of the area. There are no commercial intentions for the area.

This project is supported by a broad cross-section of interested partners, and parties with land management, conservation and cultural preservation expertise. The Trust for Public Land is assisting the County in putting the transaction together and applying for public funding. The County is already working on a memorandum of understanding between itself and the National Park Service regarding those portions of the Ala Kahakai National Historical Trail that run through County owned land, and this Property (if acquired) would be included in that Memorandum of Understanding. The National Park Service strongly supports the protection of this Property (see attached letter of support). The Property is also surrounded on three sides by unencumbered State land. The State of Hawai'i Department of Land and Natural Resources has indicated a willingness to cooperate with the County to manage the current mauka/makai access to the coastline which runs from the Akoni Pule Highway through the State land and then through the Property. Local community organizations, such as the Kohala Hawaiian Civic Club, the Kohala Merchants Association, the Kohala Senior Citizens Club, the Kohala Community Land Trust, and Malama Kohala Kahakai, Maikai'i Kamakani 'O Kohala, Kamakani 'O Kohala 'Ohana, Malama Na Wahi Pana O Kohala, and the Kohala Historic and Cultural Preservation Group, support the protection of the Property. The County will be working with other agencies, community members, cultural practitioners and others to maintain and restore the area by organizing volunteers, creating educational programs, conducting outreach, raising awareness and funding for restoration activities (any restoration activities in special management area and in the conservation land use classification may require permits). Initial funding for management planning may be available through the County open space fund.

SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE.

4. Briefly describe the cultural significance and historic uses of the property.

Pāo'o is the name of the ahupua'a in which the Property is located. Pāo'o is also the name for several varieties of 'o'opu, especially *Istiblennius zebra* and *Entomacrodus marmoratus* (marbled blenny), endemic fish species common to the intertidal zone (not to be confused with freshwater stream goby species of 'o'opu). They are also called rockskippers because of their ability to leap across stretches of rocky shoreline. Pāo'o figure prominently in legends and for some Hawaiians are 'aumākua. As described above, this Property consists of rocky shoreline where pāo'o can be observed skipping between tide pools.

'Ōlelo no'eau that mention pāo'o include:

He pāo'o ka i'a 'a'ohe kāheka lēhei 'ole 'ia.
There is no sea pool that a pāo'o fish does not leap into.
(An active person is found everywhere)
Pukui, 885

He pāo'o lēkei.
A leaping pāo'o fish.
(Said of one never idle)
Pukui, 886

Kā! Ke lele mai nei ka pāo'o.
Ha! The pāo'o fish is leaping about.
(A remark made about one who snuffles and does not blow his nose. The mucus of a runny nose darts in and out of the nostrils like a pāo'o fish in its sea pool.)
Pukui, 1417

Ka wai hūnā a ka pāo'o.
The hidden water of the pāo'o fish.
(A little pool of water on Lehua often mentioned in chants of Ni'ihau. It is said to be guarded by a supernatural pāo'o fish. When this fish rises to the surface, its back resembles the surrounding rocks, which makes the pool difficult to see. When the pāo'o sinks to the bottom, the water can again be seen. Also a pool not far from the crater of Kilauea. The priests of Pele who knew of its location obtained water from it to mix with the 'awa drinks they offered to her. Like the pool on Lehua, a supernatural pāo'o fish guarded it. This pool was destroyed during the making of a road.)
Pukui, 1653

According to Kamakau, the kahuna Pa'ao settled in the islands during the 13th century. After arriving in the Puna District, Pa'ao settled in Kohala where he constructed the Mo'okini heiau. Kamehameha's homeland is in Kohala in the ahupua'a of Kokoiki, North Kohala, near the Mo'okini heiau. Kamehameha's ancestral homeland

was in Halawa, North Kohala and he farmed his lands in Kohala before launching his conquest of the Hawaiian chain.

The earliest radiocarbon date range for a permanent settlement in Kohala (A.D. 1300) was obtained from Koai'e, just north of this Property within the Lapakahi State Historical Park. By the time of Western contact, numerous coastal villages and extensive dryland agricultural systems were in place in Kohala, evident in the cultural and archeological sites present today at Pao'o and at the nearby Lapakahi State Historical Park. Post-contact, the entire ahupua'a of Pao'o was retained as Government land during the Māhele of 1848. In 1856, the Property was sold as a 16-acre fee simple land grant (Grant No. 1997) to Kaurwe (who paid \$8). Unfortunately, no written record exists as to Kaurwe's use of the land. It is likely at this point that the land was used for cattle grazing as was typical for much of the coastal land in leeward North Kohala.

In 1862, Pao'o ahupua'a along with much of its neighboring Government land, was leased to the Waimea Grazing and Agricultural Company for horse and cattle ranching. This lease did not include the Property (Grant No. 1997 to Kaurwe) and it is unclear if cattle were grazed on the Property during this period. In a Boundary Commission proceeding of 1873, Kikalaeka, a native informant, testified to a kapu at the southern boundary of the current parcel for "salt ground . . . next to the shore." The lands of Pao'o were purchased by Parker Ranch in 1932 and used for grazing until relatively recent times. Cattle were grazed at the shore seasonally, usually following rains, when the makai pastures produced rich feed supplemented with kiawe beans.

The ahupua'a located to the north of Pao'o is Lamaloloa, and to the south, Kaiholena. Lamaloloa was also leased to the Waimea Grazing and Agricultural Company for ranching at the same time as Pao'o. Kaiholena is noted for two coastal villages listed in the State of Hawai'i Register of Historic Places and documented by the Reverend William Ellis in 1823 (by then abandoned). The Pao'o sites, like the sites at Kaiholena and Lapakahi, evidence a robust Hawaiian population along the Kohala coastline in pre-contact times. These coastal fishing villages are associated with extensive cultural and agricultural sites located directly upland that would have grown the sweet potatoes and other crops to supplement the fish and sea food collected at the fishing villages. These coastal village sites demonstrate the adaptation of the Hawaiians to the leeward environment in the 1300's.

Paukukalo Coastal Wetland Sensitivity Location Map



**Mad. County**

Section G. Project Description

1. Briefly describe the overall significance and importance of the property.

The Paukūkalo Coastal Wetland property is a very significant and important property. The property is bordered by the 'Īao and Wai'ehu Streams, two of the legendary waters of Nā Wai 'Ehā. There is substantial documentation describing this area as the power seat of the island of Maui during the reign of the ruling chiefs. According to Kamakau, Kahekili, the ruling chief of Maui during the mid to late 1700's, lived at Pihana and at Paukūkalo in Wailuku with the chiefs, his favorites, close friends, and his warriors the Kaniu'ula and Kepo'ouahi. The property contains numerous cultural sites including ancient lo'i terraces, 'auwai, habitation areas, walls, enclosures, and burials. In traditional times the area was heavily planted in taro, and contained fishponds.

Today the property is one of if not the only remaining coastal property in the area of Paukūkalo. The area provides critical ocean access and natural resources for traditional and cultural practices for the Hawaiians and local families of the area. Oral histories document how the property has been used for many generations for fishing, surfing, diving, swimming, and gathering traditional foods and materials. Offshore of the property are popular surfing spots famed since the days of ruling chiefs.

The wetland, streams, and springs, provide one of the few remaining wetlands that has not been completely altered or paved over. These streams, and springs are home to dozens of species of native flora and fauna, and provide critical estuary areas necessary for the spawning of fish. There have been recent reports of the nesting of the threatened green sea turtle on the property.

An 8-acre portion of the property is currently used by the Neighborhood Place of Wailuku (NPW) to provide cultural programs for at risk youth and their families. NPW has restored two of the springs on the property and cleared out the weeds and invasive species to replant taro. NPW has built a native plant nursery as well as a community garden area to teach backyard farming, and promote self-sufficiency and food security. The program has served hundreds of Maui youth and their families.

Acquisition of the property by the Department of Hawaiian Homelands (DHHL) will allow the property to be a great community asset for the island of Maui.

2. Identify any conditions that threaten the significance and importance of the subject site.

The current landowners have sought to develop luxury oceanfront residences on the property. A master plan for the property includes over 140 residences, including 18 oceanfront luxury homes and 36 luxury condominiums.

Urban development of the property would be a substantial loss of the significant cultural and natural resources, recreational resource, coastal access, and traditional and customary practices of the Native Hawaiian community.

Acquisition by DHHL will ensure that the property is used to fulfill the interest of the community, protecting the natural and cultural resources for generations to come.

Section H. Stewardship and Management

3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property/easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

The Department of Hawaiian Homelands (DHHL) will acquire the fee simple title to the 64-acre property. The mission of DHHL is “to manage the Hawaiian Home Lands trust effectively and to develop and deliver lands to native Hawaiians. We will partner with others towards developing self-sufficient and healthy communities.”

DHHL owns and manages over 200,000 acres of land throughout the Hawaiian Islands. This 64-acre property will become an important part of DHHL's land holdings on the island of Maui. The Paukukalo Coastal Wetland property is located adjacent to the Paukukalo Hawaiian Homestead Community. The Paukukalo Hawaiian Homestead is the first and oldest Hawaiian Homestead community on the island of Maui. The homestead is approximately 61 acres and is made up of approximately 182 single-family homes. The Wai'ehu Kou Hawaiian Homestead Communities are also located nearby. Wai'ehu Kou was developed in four phases, with Phase I completed in 1993, and Phase IV breaking ground in 2006.

DHHL works with its homestead communities and neighboring businesses, other public agencies, and non-profit service providers to develop Regional Plans for its homestead communities. The Wai'ehu Kou/Paukukalo Regional Plan was last completed in September 2006, and DHHL is currently in the process of updating each its regional plans. Future plans and use of the Paukukalo Coastal Wetland will be part of the next regional planning process for Wai'ehu/Paukukalo.

Acquisition of the Paukukalo Coastal Wetland property was discussed at a preliminary planning meeting with the leadership of the Hawaiian Homestead Associations representing each of the Hawaiian Homestead Associations in the region including, Paukukalo, Wai'ehu I, Wai'ehu II, Wai'ehu III, and Wai'ehu IV. The leadership of these Hawaiian Homestead Associations expressed support of the project.

The Neighborhood Place of Wailuku (NPW) currently leases 8 acres of the 64-acre property. NPW is a non-profit social service agency whose mission is to “prevent child abuse and neglect by building strong roots in the 'ohana and in the community by promoting safe and nurturing environments for our children and families.” NPW currently uses the property as a base for its Cultural Strengthening, and Land Stewardship Programs.

The goal of the Cultural Strengthening Program is “to instill hope in families through culturally-based, hands-on activities, that strengthen the families ability to ola (live), honor our culture and adopt to the demands of modern society.”

The Land Stewardship Program “a program on an 8-acre parcel located in Paukukalo fronting Ka’ehu Bay, a place where community and families can gather to participate in experiential learning opportunities that enhance and promote self-sufficiency and family unity.” Two key principles that are part of the Land Stewardship Program are leadership and sustainability.

NPW has been leasing the land at Paukukalo since 2006. In that time, NPW has cleared weeds and invasive species, restored two of the spring-fed lo’i, build a greenhouse for native plant propagation, and established a community garden. Hundreds of Maui’s youth and their families have participated in NPW’s programs and benefited from the services these programs provided. DHHL plans to partner with NPW to manage and steward the Paukukalo Coastal Wetland property. With DHHL’s acquisition of the 64-acre property, NPW’s programs and services could potentially be expanded on the property. This would likely include additional clearing and removal of invasive weeds and plants, restoration of springs and wetland areas, re-planting of native trees and plants, and restoration of additional lo’i. All clearing and invasive species removal has been done by hand tools to avoid disruption of cultural sites. NPW has also completed burial treatment plans and has obtained a Special Management Area Permit for its programs at the property.

NPW has several staff that oversee the Cultural Strengthening Program and that manage the Paukukalo property including a Cultural Strengthening Program Director, Cultural Strengthening Program Manager, a Site Manager and an Assistant Site Manager.

Coastal and beach access would continue to be provided by the property for customary and traditional uses such as fishing, diving, swimming, gathering of marine resources, and surfing.

The Maui County Department of Parks and Recreation has also expressed its strong interest in partnering in this project.

Long-term plans and uses of the property would be determined through DHHL’s planning efforts with the Hawaiian homesteads and neighboring communities. There are no commercial uses currently being planned for the property.

Section I. Cultural and Historical Significance

4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information:

- a. Name of area; translation and possible interpretation;**
- b. Known pre-contact history and land uses; and**
- c. Neighboring areas/ahupua`a information and its relationship to the site being considered.**

The area where the property is located is known as Paukūkalo. Paukūkalo is an ‘ili within the ahupua‘a of Wailuku and Wai‘ehu. Paukūkalo can be translated as “section of kalo.” This is likely a reference to the numerous lo‘i, which once filled the lands of Paukūkalo.

Paukūkalo is in the ahupua‘a of Wailuku. Wailuku can be translated as “waters of slaughter.” This is likely a reference to the battle of Kepaniwai in the area of Wailuku, where Kamehameha’s forces met the forces of Maui under Kalanikūpule, and there was a great slaughter. The bodies of the Maui warriors dammed the waters of the ‘Īao Stream, and so the battle was called Kepaniwai, or the damming of the waters.

Paukūkalo is also bordered by the ahupua‘a of Wai‘ehu. Wai‘ehu can be translated as “water spay,” as is likely a reference to the spray caused by the Wai‘ehu Stream.

It should be noted that these streams, ‘Īao and Wai‘ehu both border the subject property. Both of these streams are also extremely significant in that they are two of the four famous streams referred to as Nā Wai ‘Ehā, or “The Four Waters.” These four streams and the districts they supported, Wailuku, Wai‘ehu, Waihe‘e, and Waikapū, make up the largest continuous area of wetland taro cultivation in Hawai‘i. These lands were the seat of power of the Maui Kingdom, and were highly sought after and fought over by the ruling chiefs of each of the island kingdoms.

According to the Cultural Impact Assessment done by Kalei Tsuha, the area of Paukūkalo was traditionally an area reserved for the ali‘i (chiefs), kahuna nui (high priests), pu‘ali (warriors), and was the centralized area that a majority of the political and religious activities occurred. This is confirmed by numerous references to Paukūkalo, Wailuku, and Wai‘ehu in the histories, legends, and traditions of the Hawaiian people.

In an article in the May 25, 1865 Hawaiian language newspaper the Kū‘oko‘a written by Ka‘awa, he named several heiau of Hawai‘i including a heiau named Malaehaakoa in Paukūkalo. Two of the temples of the Maui Kingdom were also located in Paukūkalo and today remain as a State Monument. These heiau are Haleki‘i and Pihana.

Samuel Kamakau wrote that Kahekili, the ruling chief of Maui lived at Paukūkalo and Wailuku with his chiefs, companions, favorites, and two regiments of warriors, the Kaniu‘ula and Kepo‘ouahi.

In the book Ruling Chiefs, Kamakau writes that shortly after the battle of Kepaniwai at ‘Īao, where Kalanikūpule’s forces were routed by Kamehameha and his warriors,

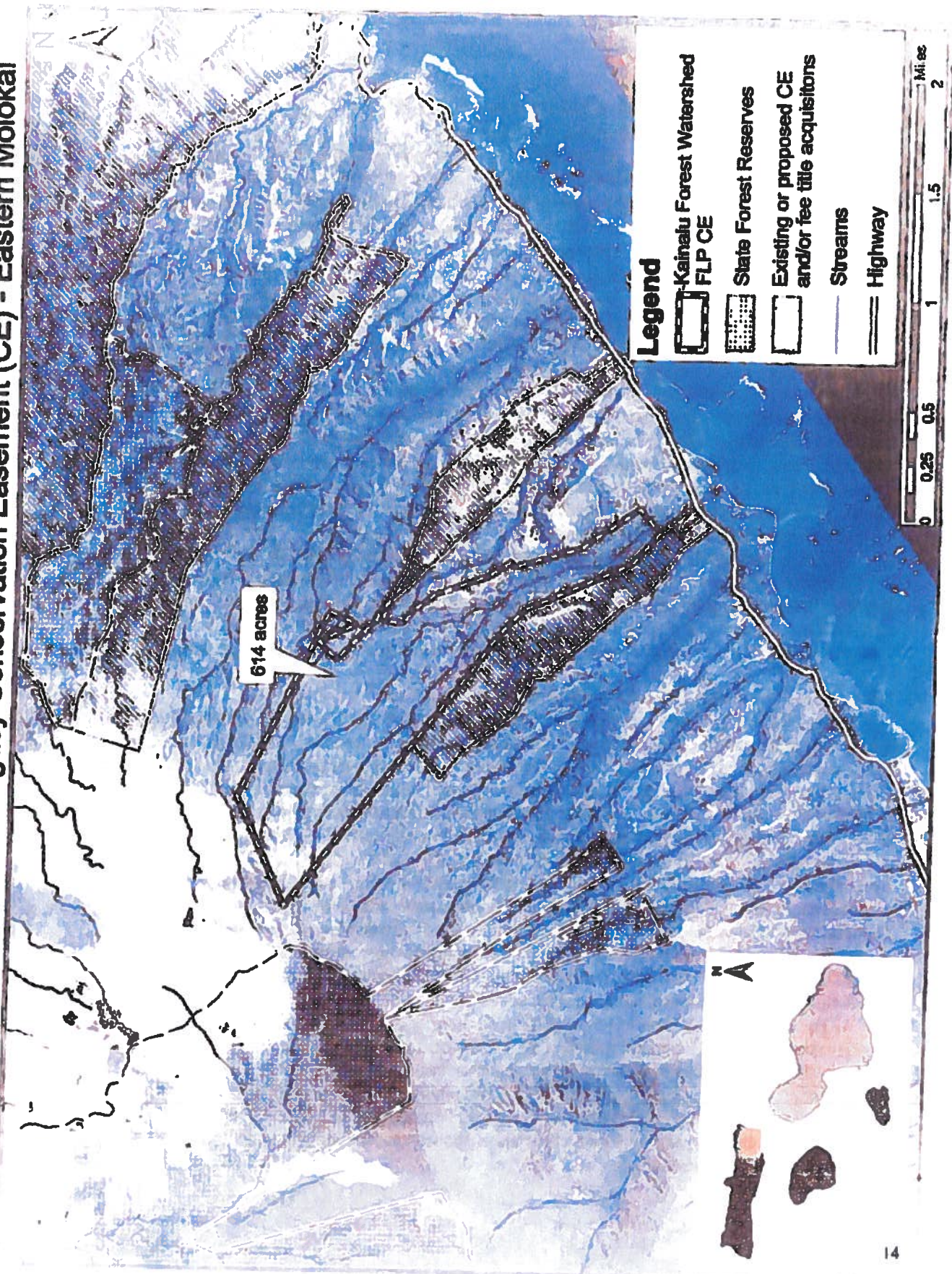
Kā'eokūlani, the ruling chief of Kaua'i decided to go to war against Kamehameha. While on his way he met with Kahekili, who was at the time the ruling chief of Maui, Moloka'i, Lāna'i, and O'ahu, and convinced him to join him at war against Kamehameha. On their way to Hawai'i, the armies camped at Wailuku. While on Maui, Kahekili gave some of the land to the Kaua'i chiefs, and Wai'ehu was given to Ki'iki'i. This is said to have caused discontent among the Maui chiefs and a battle was fought at Paukūkalo. As with other cultures, historic battlefields are sacred in Hawaiian culture.

The coastal location of the property and proximity to the popular surf spots directly off shore also attest to the historical and cultural significance of the property. Surfing has long been a popular sport of the ruling chiefs of Hawai'i. Indeed, it is the Hawaiians who invented the sport of surfing. Kamakau named the favorite surf sport of the chiefs of these areas of Nā Wai 'Ehā. The wave of Kahu and Ka'ākau was the favorite of the chiefs of Wailuku. The wave of Niukūkahi and 'A'awa was the favorite of the chiefs of Wai'ehu and Nāpoko. Pala'ie and Kahahawai were the favorites of the chiefs of Waihe'e.

According to an Archaeological Inventory Survey conducted by Archaeological Services Hawaii, there were 41 archaeological sites identified on the property. These sites include lo'i terraces, 'auwai, habitation sites, walls and enclosures, a possible remnant of a fishpond, and burials. The property continues to be important and significant for the continuation of customary and traditional fishing and gathering practices of Hawaiians and of families that continue to access the ocean and have been living in the area for generations. Kūpuna of the area recall when the area was full of cultivated taro fields.

In traditional times the property contained extensive taro fields and fishponds. Located within Nā Wai 'Ehā, this was once the largest continuous area of wetland lo'i in the islands. The Neighborhood Place of Wailuku (NPW) has restored two of the spring fed taro lo'i on the area, which they currently lease. NPW has a native plant nursery and has established a community garden area to teach subsistence farming to area youth and families. With the recent ruling in the Na Wai 'Eha case, additional water will be restored to the 'Iao and Wai'ehu Streams, providing additional opportunity to restore the lo'i terraces and once again provide for food and sustenance for the people in the community.

Kainalu Forest Watershed Forest Legacy Conservation Easement (CE) - Eastern Moikai



Kainalu Forest Watershed
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Section G. Project Description

Question #1 – Significance & Importance of Property:

The Kainalu Forest Watershed extends from near sea level to the rim of Wailau Valley at 3300 feet elevation, a distance of nearly three miles. There are three gulches on the property that encompass a range of vegetation types and species habitats. The upper elevation forested area is a critical watershed that prevents soil from eroding and damaging near-shore coral reef ecosystems and ancient Hawaiian fishponds. The KFW also contributes to the freshwater resources of East Molokai, including the headwaters of two major stream systems, upper elevation wetlands supporting rich soils and groundwater recharge to the island's single aquifer.

This easement will protect habitat for numerous federally listed endangered or threatened species (18 recently documented on KFW). Of these species, the threatened Newell's Shearwater has recently been sighted foraging and transiting to and from nesting sites in remote areas of the KFW, an occurrence that has not been documented for decades on Molokai. The KFW provides a dark corridor between their nesting sites and the sea that is needed by easily disoriented fledglings that can be confused by bright lights associated with developed areas. The endangered State bird, Nene, also frequents the KFW. The number of Nene have increased on Molokai in recent years due to active captive-bred and release programs on private lands on Molokai. This success is due largely to the unique habitat and undeveloped mauka/makai corridors on this part of the island, of which the KFW is integral.

KFW conservation easement is 614 acres of strategic watershed on East Molokai. The KFW is part of 1200 acre Kainalu Ranch that represents nearly an entire watershed and ahupua'a. Surrounding efforts to the KFW include Dunbar FRPP easement; Molokai Land Trust land; Molokai Forest Reserve; Natural Area Reserve; Puu O Hoku Ranch easement (Maui Coastal Land Trust); The Nature Conservancy Preserve; and Kamehameha School's lands.

Question #2 – Potential Threats to Property:

One of the most important threats to conservation minded landowners in Hawaii is the prospect of high estate and inheritance taxes passing to the next generation. The Kainalu Ranch has been in the Dunbar family for nearly 100 years as a working horse and cattle ranch. During the last transition of family ownership, the Dunbar's were faced with the possibility of selling portions of the ranch to cover estate taxes. Fortunately, the family was able to keep the ranch largely intact and are now interested in utilizing alternatives like conservation easements to protect future generations from facing a similar possibilities of selling portions of the ranch to cover estate taxes and establishing financial security to enable permanent conservation protection of KFW into the future. This conservation easement will allow future generations to keep the Ranch in the Dunbar family, as well as continue to provide long term management and protection of the natural and culturally important archeological resources on the property. The Kainalu Ranch's vision is to protect critical watershed resources that many depend upon without sacrificing vulnerable lower elevation acres to development pressures.

The single greatest threat to this critical watershed, including coastal estuaries and coral reefs, is urbanization and water diversion, both of which contribute to sedimentation and increases in nutrients. Three of Molokai's four potable water wells are threatened by real estate speculation, urbanization, salinity spikes, falling sustainable yields, and out-of-watershed water transfers. Only the East end well is currently in a stable pumping condition. It is very important for east Molokai landowners to maintain their upland forests in order to protect and maintain water for all uses on this island.

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Section H. Stewardship & Management

Question #3 – Plans for future management

While this property has been used primarily for ranching purposes for much of the past century, during the past 2 decades a shift towards conservation uses has been happening. In the early 1990's a Forest Stewardship Program contract was entered into by the Ranch, which provided cost/share funds for 10 years and management of all conservation and restoration practices installed during that time for another 5 years (total of 15 yrs). This long term stewardship plan was critically reviewed and authorized at the Governor level, and has been very successful in reforesting much of the Ranch (including some of the lower areas of the 614 parcel), removal of many invasive species, planting of rare native plants (*Acacia koa* and *Loulu*), installation and repair to miles of fence and removal of feral cattle from upland areas into lower elevation fenced paddocks.

On the makai portion of the Ranch is an ongoing wetland restoration project, partially funded by the Natural Resource Conservation Service (NRCS). When completed, this will provide a robust coastal estuary habitat for many migrant and local bird populations.

Due to the increasing native habitat, the Ranch is developing several Safe Harbor Agreements (SHA) with the US Fish & Wildlife Service and the State that will provide baseline documentation of plant and animal occupation on the Ranch, provide monitoring & rehabilitation efforts for those species, and protection for the Ranch in the unlikely event of a take of one or more of these species. On nearby Puu O Hoku Ranch, an SHA has been in affect for many years and the results from it are very positive, so much that Nene are now flourishing on East Molokai, and on the Kainalu Ranch.

During the recent Kainalu Ranch Conservation Easement Baseline Documentation Report development (still in draft form and attached to this application) several pairs of Newell Sherwaters were seen roosting and foraging on the 614 acre parcel. This is very rare and has not been officially documented in many decades. Much follow-up surveying will be done both by the State and the US Fish & Wildlife Service. This is further indication of the pristine intact forest in the upland area of this parcel. Extensive photo documentation was completed as part of the Baseline and is available upon request.

The Conservation Easement (CE) document is in its final draft form, having had rigorous review by the Ranch (and attorneys) and the State. Currently, the State is in the process of purchasing an appraisal based on this CE and the Baseline. Furthermore, a Phase I (Hazardous Materials search) will also be conducted in the very near future as part of the overall necessary due diligence process.

The Ranch expects to utilize a substantial portion of the funds from the sale of this CE for the establishment of a endowment for the sole purpose of conservation management practices on the Ranch. These funds will be also be used as match to leverage various State and Federal funds for conservation and restoration purposes.

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Due to the various archeological resources found on the parcel, and the deep cultural history related to it, there is no commercial use intended for this parcel whatsoever. The only permits that may be sought on the property are for the construction of new fences for feral animal control. No new structures are expected to be built, no new roads put in, or major alterations to the terrain in any way planned for this parcel.

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Section I. Cultural and Historical Significance

Question #4 – Briefly describe the cultural significance and historic uses of the property.

The KFW is located in Kainalu and Puniuohua ahupua'a, Island of Moloka'i, Maui County. Kainalu was the birth place of Abner Paki, the father of Benice Pauahi Bishop. The Property extends from near sea level at Kainalu Stream over two miles inland and upslope, near Pu'u Ohelo and the southeastern rim of Wailau Valley. The Property is dissected by three gulches, Welo, Kainalu, and Kahawaiiki. Kainalu Ranch is bordered to the east, west, and north by private lands. The southern boundary is adjacent to other Kainalu Ranchlands. To the west, the Property is adjacent to a Conservation Easement granted by Kainalu Ranch to the Maui Coastal Land Trust and consists of approximately 166 acres as well as other private lands. The western boundary at Lapamoku Ridge on the west side of Kainalu Gulch is directly adjacent to the Moloka'i Land Trust's Kawaikapu Conservation Easement, consisting of 174 acres, and other private lands. The Property is approximately 3.5 miles west and 2 miles west of two Conservation Easements granted to the Maui Coastal Land Trust by neighboring Pu'u O Hoku Ranch; these easements are approximately 82 and 3400 acres each, respectively. The mauka or northern boundary is less than one-quarter mile from Wailau Valley.

KFW contains several culturally important ancient village sites along stream corridors including a temple (heiau) built to summon rain, taro terraces (lo'i kalo) for traditional Polynesian farming, and living platforms (hale moe). There are numerous walled formations (kuapa) found on the parcel that were historically used to delineate cattle ranges soon after cattle were introduced, and eventually used for handling the animals by the first Hawaii cowboys (paniolo). Just offshore of KFW is an ancient fishpond dated to the 13th Century. These are archeological sites, usually built below important upland forests, that early Polynesians built to catch fish using ingenious intake systems that trap fish inside the pond. Other cultural sites on the property are documented in the book *Molokai: A Site Survey* by Catherine Summers, in which the author quotes Chief Kanepu'u as saying of the Kainalu watershed, "the plains of this place are plentiful and life there is pleasant". The need to preserve biodiversity and culturally significant areas in Hawaiian mauka to makai (ridge to reef) watersheds is well-documented in both the history of Hawaii and in the American Plains.

The book also speaks about the legend of Nanaue, the shark-man, from which 3 major geological features of KFW have been named including Pauwahu Bay (eight destroyed), Puumano (shark hill), and Kaimu Mano (the shark oven). The names of these features tell the story of a cannibal shark-man, Nanaue, on Molokai that killed seven children in a family. The eighth child was sent out as bait, and the shark-man was caught at Kainalu and dragged up the gulch and hill. His body left a shallow ravine near the top of Puumano; where there is a rock with a deep groove entirely around it. The people cut up Nanaue with pieces of bamboo and burned his flesh. His father, Kamohoalii, was angry and henceforth bamboo growing here is dull. The exact location of the oven where the shark-man is unknown, but the area retains its name. These legends and the historical sites they came from are treasured cultural resources for the people of Hawaii, and they reflect the rich heritage of Kainalu and Molokai. Many of the relics can still be found within KFW.

Kainalu Ranch has been in the Dunbar family for nearly 100 years. It is a working horse and cattle ranch. There is evidence of previous use by Hawaiian settlers, since there are archaeological sites along Kainalu Stream in the lower elevations. There are also at least nine plant species persisting on the Property that are widely accepted as being introduced by the

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original Polynesian settlers. These so called "canoe plants" include 'ohia 'ai (*Syzygium malaccense*, mountain apple), noni (*Morinda citrifolia*), ki (ti, *Cordyline fruticosa*), kalo (*Colocasia esculenta*, taro), hoi (*Dioscorea bulbifera*, *D. pentaphylla*, yams), ulu (*Artocarpus altilis* or breadfruit), kukui (*Aleurites moluccana*, candlenut, the State Tree) and mai'a (*Musa x paradisiaca* or banana).

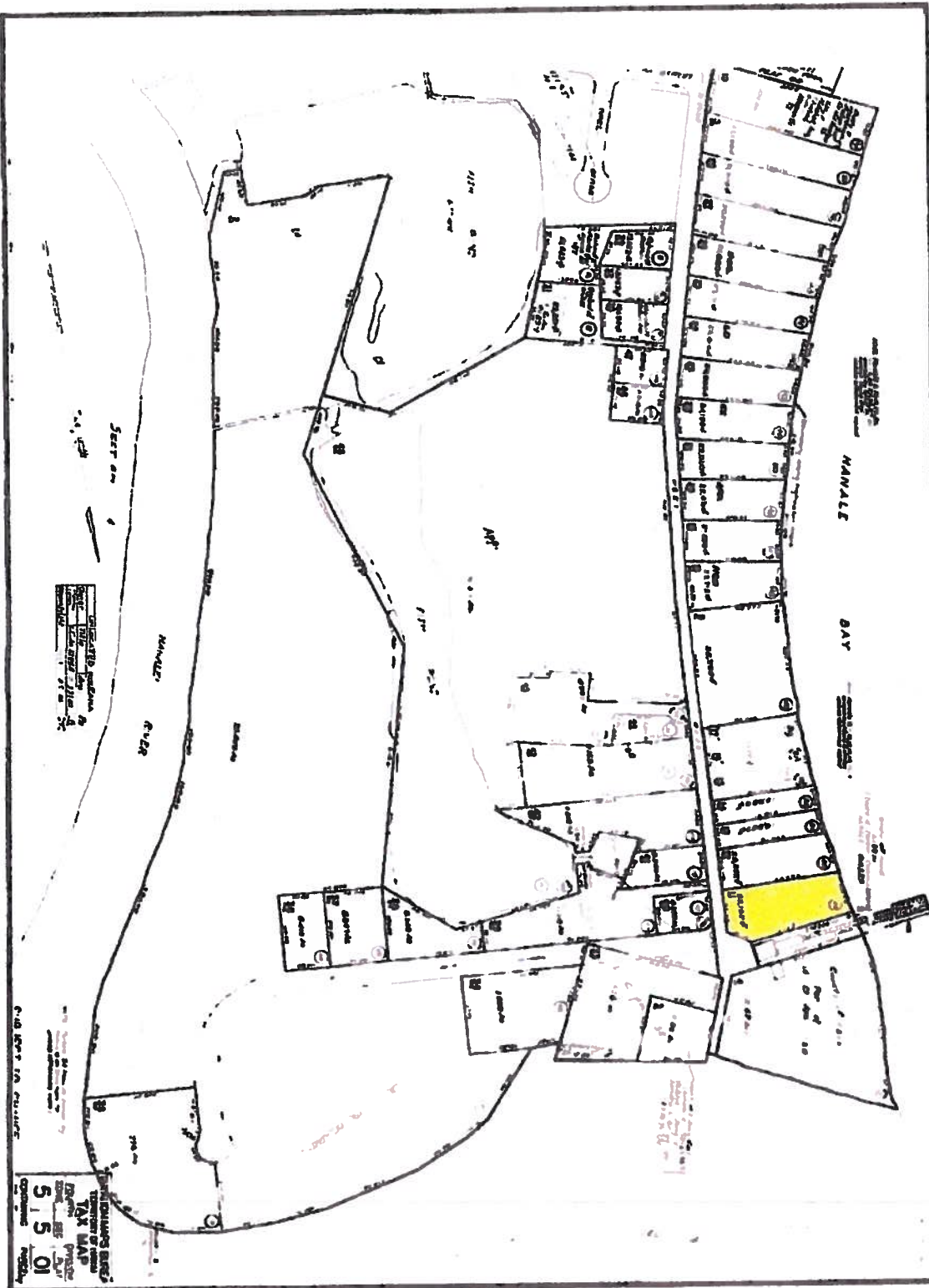
AERIAL MAP
Fourth Division, Tax Map Key 5-5-01, Parcel 11
Hanalei, Kauai, Hawaii

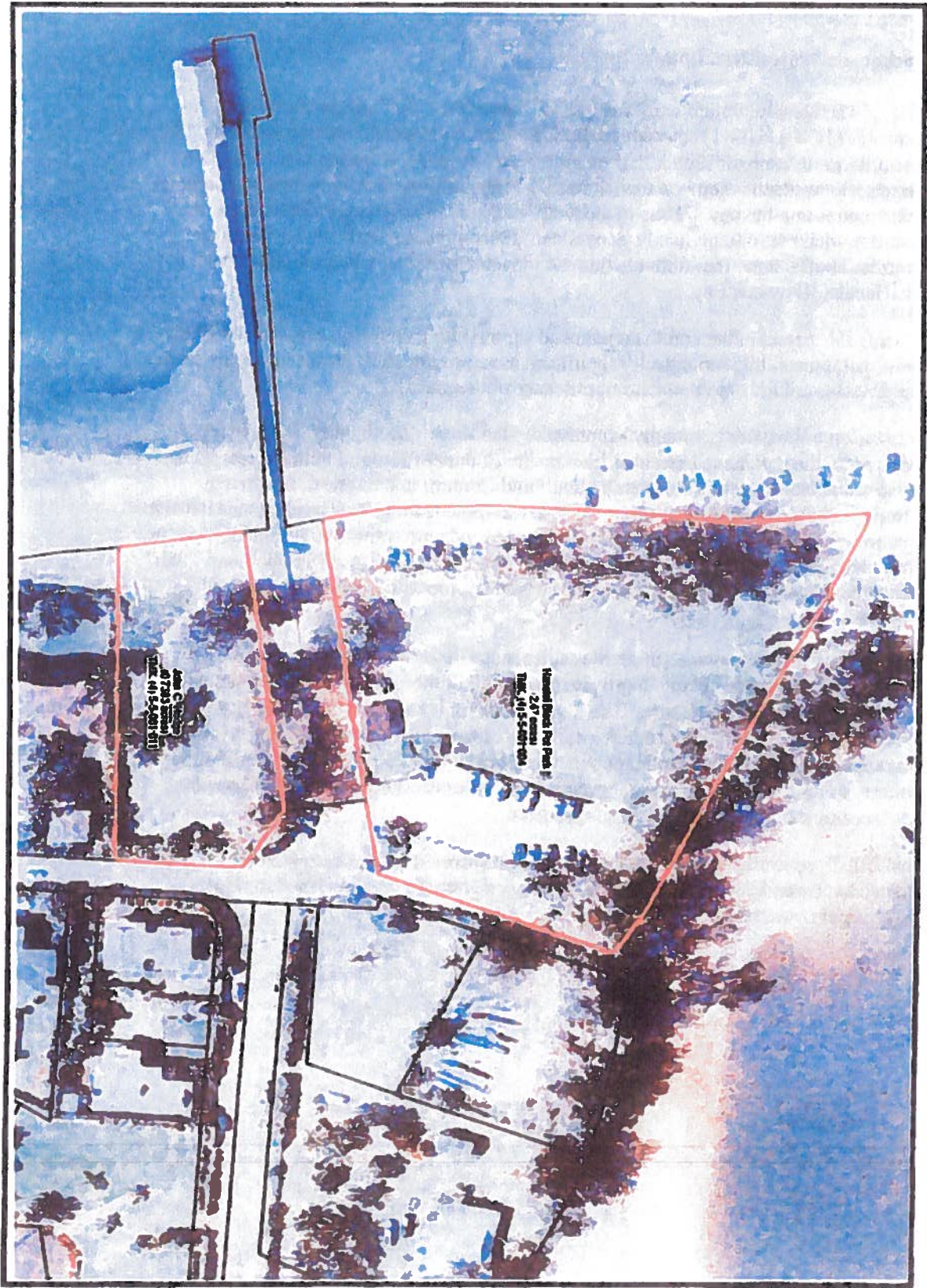


PROPERTY LOCATION MAP

Fourth Division, Tax Map Key 5-5-01, Parcel 11

Hanalei, Kauai, Hawaii





Kaua'i Public Land Trust: Legacy Land Conservation Program
Grant Application: 9/10/09

Section G: Project Description

1.) The Kaua'i Public Land Trust (KPLT) seeks funding for the acquisition of one parcel (TMK 4-5-5-1-11) adjacent to Black Pot Park in Hanalei. Hanalei, located on the beautiful north shore of Kaua'i, has over the years become increasingly crowded with large scale residential homes and visitors. The Hanalei River is a very important estuary that empties into the bay. Home to the hoary bat, koloa duck, coot, stilt and nene, the river is a vital part of our island's ecosystem. If acquired, this parcel would create a protected buffer zone free from the threat of development that will ensure the health of the Hanalei River and Bay.

Placing this parcel in the public domain and adding it to the already existing Black Pot Park, will protect this ecologically significant area, provide much needed open space and preserve the cultural and aesthetic significance of the area.

Expansion of the park is strongly supported by the Kaua'i community. The parcels adjacent to the park have been identified by the County of Kaua'i Public Access, Open Space and Natural Resources Preservation Fund Commission as one of the top ten priority sites for possible acquisition. These recommendations are based on an extensive review and public input process. The County does not currently have sufficient funds in the Open Space Preservation Fund to purchase the site, so the Kaua'i Public Land Trust has initiated contact with the owners and began the process of identifying funds for purchase.

2.) Recently privately owned properties adjacent to Black Pot Park have become available for purchase. If sold to private buyers, all of these properties will undoubtedly be developed for residential use. The County of Kaua'i has expressed strong interest in expanding Black Pot Park for public use. Park expansion over the past thirty years has not kept pace with the residential population growth (about 50%) and with the number of visitors to Kaua'i. There is strong support from the north shore community, business leaders and elected officials for park expansion.

This LLCP application seeks funding to purchase parcel 11 in order to facilitate protection around Black Pot Park by acquiring and transferring this land into local government ownership.

Kaua'i Public Land Trust: Legacy Land Conservation Program
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SECTION H: STEWARDSHIP AND MANAGEMENT

3.) Once acquired the donated parcel 11 will be transferred to the County of Kaua'i and added to the existing Black Pot Park. The County will oversee management of the newly acquired parcel and engage the community and stakeholders in a park planning process to determine what is the best use and design of the newly expanded park. The park planning process will address what recreational activities should be allowed at the park, where additional parking should be located, how to eradicate weeds and invasive species and prevent incursion by new weed species. An important component of management will be appropriate signage with education about the resources and the do's and don'ts to protect them.

No commercial activities are currently allowed at the park, and will not be allowed at the newly expanded park once the land is purchased. Funding for the park planning process will come from a variety of sources, Montage Resorts has expressed a willingness to help cover costs and KPLT is currently in talks with several potential donors who are also interested in supporting this part of the process. Maintenance funding will be provided by the County of Kaua'i.

The County of Kaua'i, Parks and Recreation Department and the Mayor of the County of Kaua'i have all signed on as supporters of the park expansion, and are ready to oversee management of newly added parcels once acquired. The County already manages the existing Black Pot Park and has done so effectively since its creation thirty years ago.

SECTION I: CULTURAL AND HISTORIC SIGNIFICANCE

4.) Roughly translated "Hanalei" means "valley of the lei" in Hawaiian. The area is believed to have been settled as early as A.D. 600 or within the first 200-300 year period of colonization.

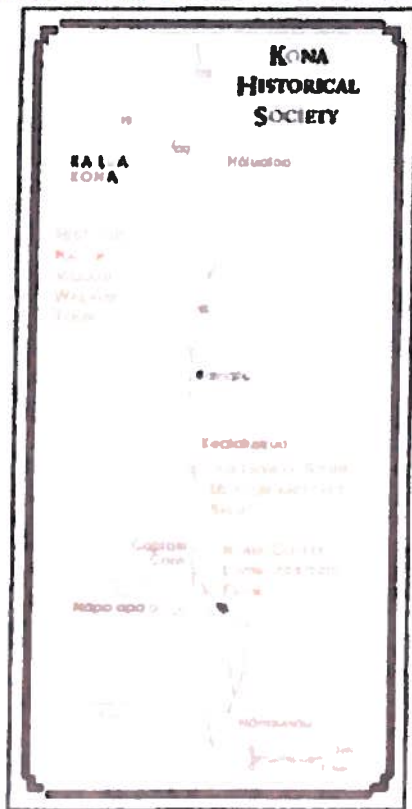
The *lo'i* or pondfields and the *'auwai* or irrigation ditches, which replaced the undrained swamps, may have been among the largest taro cultivation systems anywhere in Polynesia. The largest group of Hanalei residents were commoners (*mak'ainana*) skilled in the construction and maintenance of head dams, ditches and ponds, and in planting, harvesting and fishing.

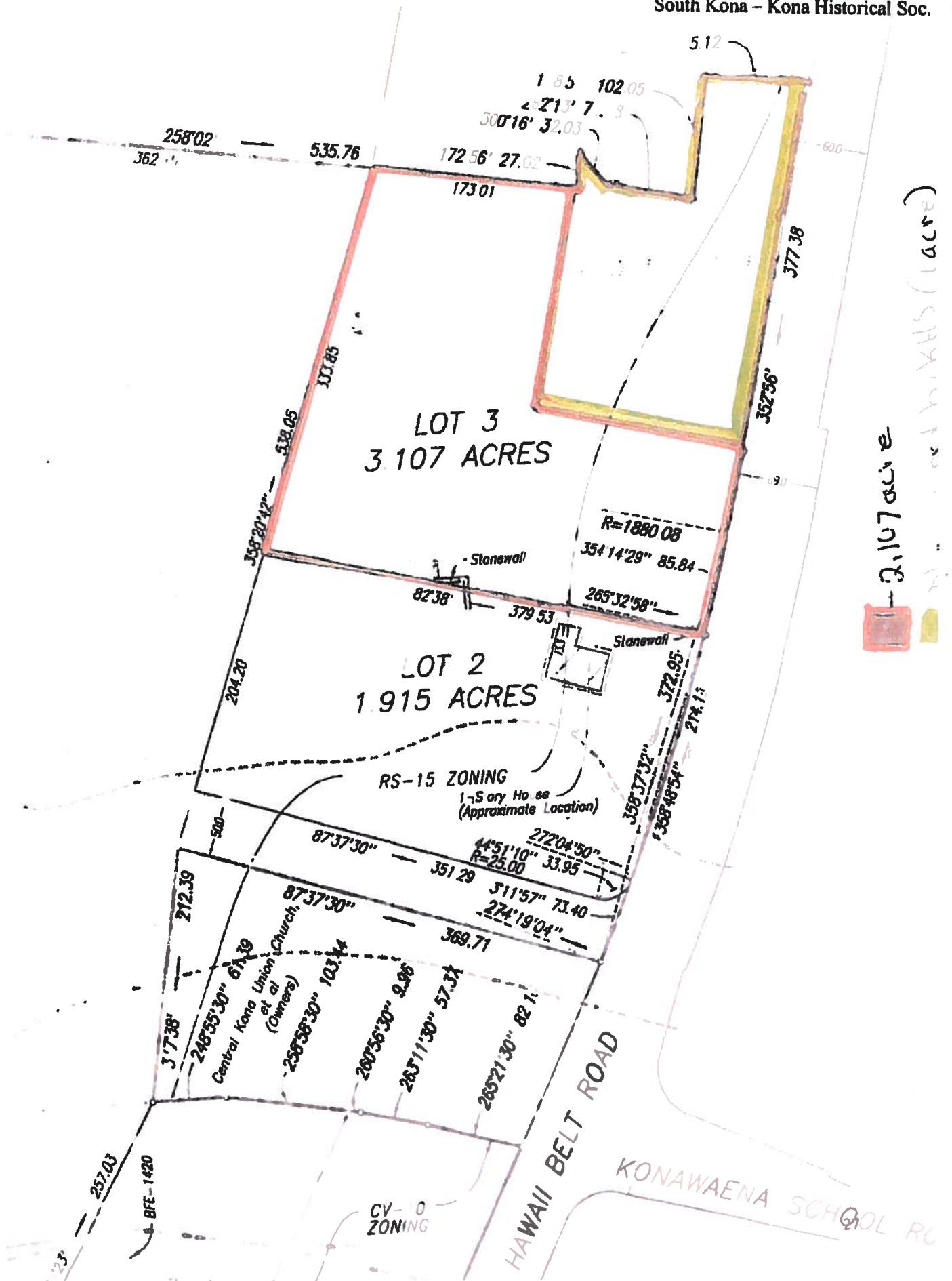
Archaeological research has been limited in Hanalei. To date only about 20 archaeological sites have been recorded in Hanalei, and most of these have not been studied in any detail. These sites range from massive heiau, or large community oriented religious structures like Po'oku Heiau on the east bluff of Hanalei Valley, to habitation sites that show up as stone platforms, walls and enclosures, to agricultural sites including both irrigated and dryland field systems.

Some archaeological sites have been found four miles up the Valley. These inland sites include *lo'i*, habitation sites, and two heiau. Seven agricultural complexes have been

**Kaua'i Public Land Trust: Legacy Land Conservation Program
Grant Application: 9/10/09**

recorded on the steep valley slopes above the major 'auwai in the Valley. This evidence suggests that most of the prime ag land in the Valley was under intense cultivation. If this were indeed the case, then Hanalei could literally have been a "bread basket" for the entire island.





SECTION G. PROJECT DESCRIPTION

1. Significance of the Property: The 1870's H.N. Greenwell Store building is the prized artifact of the Kona Historical Society, and is listed on the State and National Registers of Historic Places. The Historic Hawaii Foundation awarded two Preservation Awards to the Store in 1982 and in 2008. The 1890's H.N. Greenwell Store interpretive program opened to the public in 2007 and the National Endowment for the Humanities recognized it with a *We the People* grant for the quality of its concept and planning, and for its use of a historical site to address themes central to American history and Culture.

The Store's basement houses the Society's research library, archives and collections, and it is the only historical society climate-controlled archive on the island of Hawai'i. As well, no other organization in the State focuses solely on Kona's history, and KHS was the first Smithsonian Affiliate in Hawai'i.

The building was once the headquarters of an 112,000-acre cattle ranch that extended from sea level to an elevation of 5,000 feet in Mauka Kona. The Store is the first piece of the Society's Kalukahu Ranch Homestead (KRH) project, an outdoor living history museum that will depict the traditional way of life for Kona paniolo, ranchers, and local commerce in the 1890's. The project is led by a volunteer steering committee made up of Kona's kama'aina ranching families.

KHS presently owns the Store building and the surrounding one acre of land, which was donated by the Greenwell family in the 1970's. But to preserve the historic character of the building and to portray a typical Kona ranch, it is imperative that KHS acquire the property contiguous to the acre. Securing the additional 2.1 acres will also preserve the mauka ranching view plane, and will provide a buffer from the "modern" world and any future development adjacent to the site.

Most important, the additional acreage will provide an area for future collections storage and exhibits, as the Store's basement archive is filled to capacity. We are currently storing important historic artifacts in Matson containers in the pasture. This is a short-term solution, as climate controlled archival storage is required for proper preservation of significant items. Finally, the Society has long been in need of a large space for membership meetings (there are over 1,000 members), special events, and community use. The purchase of this property will support this future expansion.

2. Conditions That Threaten the Site:

The owners of the property, Brysson Greenwell and his sister, Janet Dollar (Jack B. Greenwell Trust), have supported our plans for the property by allowing us to use it at virtually no charge over the past eleven years. They are committed to our mission, and would like to see this purchase happen in their lifetimes as they are currently in their mid-seventies. Once the land passes to their heirs, KHS will have a difficult time convincing strangers to give up development plans in favor of interpreting history. Any level of construction that present or future owners may wish to undertake on the subject property would undermine the Society's efforts to present accurate and authentic public history programs at the site. It would also prevent needed facility improvements for archival storage and meeting space described above. The situation is urgent. The sale must go through before one of the owners passes away.

SECTION H. STEWARDSHIP AND MANAGEMENT

3. Proposed Use of the Property: KHS plans to build a climate-controlled facility for storage and archiving of historical artifacts, documents and public records. The current facility, located in the basement of H.N. Greenwell Store, is filled to capacity. Currently, acquired items are temporarily being stored in Matson containers, a short-term solution since a climate-controlled facility is required for preservation of historic artifacts. In addition, KHS intends to bring the story of Kona's ranching heritage to the public through an open-air museum that presents daily life on a typical Kona ranching homestead. This living history site, Kalukalu Ranch Homestead, will interpret the 1890 period when the H.N. Greenwell Store was the headquarters of Kona's largest cattle and sheep ranch and was also the center of commerce in Mauka Kona. The project is based on solid academic research and the story will be told through costumed interpreters, historic buildings, artifacts, animals, and authentic landscapes.

Four major components of the Kalukalu Ranch Homestead (KRH) have already been completed:

1. The restoration of the H.N. Greenwell Store's interior and the creation of the interpretive program that opened to the public in January 2007.
2. The planting of the native forest adjacent to the Store, which serves as a buffer and backdrop for the project, as well as a component of our educational program for school groups.
3. Construction of a typical drystack cattle wall on the property's boundary with an authentic ranch gate.
4. Construction of an authentic Portuguese stone oven and protective shed where 100 loaves of bread are baked each week and sold to a steady stream of customers.

The Store and its interpretive program are open to the public for a small admission fee, but access to the rest of the property is free.

Work will commence in 2010-12 on the remaining ranch interpretive exhibits: saddle house, blacksmith shed, animal pens, and ranch house. Together these buildings and the surrounding landscape will comprise the Kalukalu Ranch Homestead, utilizing a mix of interpretive experiences including: third-person living history programs, guided tours, interactive hands-on programming, scripted theatrical performances, outdoor interpretive panels, orientation video, special events, and workshops.

Purchasing the land to secure the site is a part of the current Capital Campaign. It is key to the future development of the Kona Historical Society and its programs. Until we own the land, any construction of permanent buildings will not be possible.

Management: Management of the 2.1 acres has been and will continue to be carried out by the KHS Board of Directors, a volunteer ranching committee (see attached list), Society membership, and staff overseen by Jill Olson, Executive Director for 33 years. Jill has led KHS to high acclaim as a successful model for historical organizations in Hawai'i, and has directed many successful fundraising campaigns over the years. Since 1976 Jill has overseen the Society's growth and development. In this next phase, Ku'ulani Auld, Assistant KHS Director and KRH Project Director, will assist her. Ms. Auld is a 5th generation rancher who brings

(Cont. on next page)

ranching skills, community relations, and administrative experience to the project.

Sheree Chase, curatorial consultant, will collaborate with KHS staff to develop the remaining segments of the KHR. Ms. Chase directed the development of the Kona Coffee Living History Farm, the Society's first Living History Site. Since its opening in 1999, the Farm has received numerous awards and honors and, after ten years, continues its successful operation.

Dr. Thomas Woods, lead project consultant, has more than 27 years of experience in planning and developing historic sites, including the H.N. Greenwell Store's restoration and programming. He served as Director of a Wisconsin 576-acre rural living history program of 14 ethnic groups, and wrote the interpretive plans and training manuals for both the Kona Coffee Living History Farm and the KRH project.

Planning and Goals: Kona Historical Society was founded in 1976 by a small group of Kona citizens to collect, conserve, interpret, and disseminate the history of Kona. The growth and development of the Society has followed the Long Range Plan, most recently updated in 2007 (attached). In the original planning process, consultants recommended that KHS focus on collecting and preserving aspects of the post-contact history of Kona that were not being preserved or interpreted anywhere else in the community: •coffee farming, •small family-run stores, •ranching, and •stories of various ethnic communities that supported these ventures. Pre-contact Native Hawaiian history is successfully interpreted by Bishop Museum, Pu'uhonua o Honaunau National Park, Kaloko-Honokohau National Historic Site, and Hulihe'e Palace.

Consistent with the Plan, over the past 33 years, KHS has catalogued books, documents, photographs, films, and artifacts, most of which are housed in the climate-controlled archive and research library. Through publications such as the award-winning *A Guide to Old Kona*, an historical video, a walking map of Kailua Village, and its living history programs, the Society has illuminated Kona's history for residents and visitors alike for many years.

Our next major goal is the development of the Kalukalu Homestead Ranch. Its completion will mark the successful attainment of our long-range plan to preserve the primary aspects of Kona's post-contact history: coffee farming, mercantile past, and ranching. Once that is completed, the most critical future goal is the construction of additional climate-controlled archival space.

Operational and Startup Funding: A portion of day-to-day operations, \$500,000, is funded by earned income from admission fees, sales of gifts and coffee, bread sales, and historical tours. Other sources include membership dues, donations, interest from an endowment, and events.

Fundraising plays an important role in initiating new programs and capital projects. KHS has a solid history of successful fundraising and capital campaigns. Jill Olson has been responsible for the Society's financial development from the 1976 budget of \$5,000 to a high of \$1.2 million in 2007. In 1990 KHS raised \$500,000 in its first Endowment Campaign. The next fundraising project was a Capital Campaign, Phase I, which funded the development of Kona Coffee Living History Farm and planning for Kalukalu Ranch Homestead. Over four years, a total of \$3 million was raised, including a \$650,000 grant from NEH and the balance from local foundations. To finance the KRH project, KHS launched Phase II of the Capital Campaign to raise \$3.5 million. To date we have raised \$1.5 million (attached project and donors list). However, the weak economic situation has extended the campaign's time frame an additional two years. If the Legacy Lands grant is awarded, we are confident that funds needed to develop the project can be raised.

SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE

4. Name of area, translation and possible interpretation: Kona Historical Society is located in the ahupua'a of Kalukalu, District of South Kona.

An archaeological survey completed in 2004 tells us that pre-contact this area was part of the Kona Field System, and was intensively used for agriculture. In 1850, Henry Nicholas Greenwell arrived in Kona and, because the Mahele had just gone into effect, he was able to purchase 300 acres here. Mr. Greenwell built a rather large home with stone foundations accessible to the old wagon road, and his plan was to grow oranges on the site. His first crop was quite successful but citrus blight made further cultivation unprofitable. Greenwell left Kona in 1867 to find a cure, and found his wife, Elizabeth Caroline Hall, on the Caribbean Island of Montserrat. They returned to Hawai'i together, and by 1869 she had given birth to the first of their ten children.

The Greenwell General Store was built ca. 1870, and served as the Post Office and commercial center of Kona for the next 50 years. It later became the headquarters of the 112,000-acre Greenwell Ranch. In addition to oranges, sugar cane was also grown in this area, but ranching was the primary agricultural activity until the mid-20th century.

Currently, pastureland makai of Kona Historical Society is still used for cattle, and the successful Greenwell Coffee Farm is makai and to the north of the KHS site. Mauka and across Mamalahoa Highway, the campus of The University of the Nations occupies the former home and grounds of William H. Greenwell, H.N. Greenwell's son.

The H.N. Greenwell Store is the only commercial structure from this period left in Kona.

Neighboring area: To the South lies the ahupua'a of Onouli; in pre-contact times presumably also part of the Kona Field System. The area contains the historic 1867 Christ Church Episcopal and cemetery, the first Anglican Church built in Hawai'i. Both Queen Emma and King Kalakaua attended services there, and the Greenwell family was among its parishioners. Makai and across the highway of Christ Church grounds can be found the cemetery of Central Kona Union Church, also an historic site. Konawaena Elementary, Middle and High Schools, with playfields and facilities, take much of the remaining area of Onouli. Several ranches and coffee farms may also be found here, along with medium density residential sites.

To the North is the ahupua'a of Kanakau, in which Kona Central Union Church, built in 1855 by the Reverend John D. Paris, may be found. Along the highway Kanakau now serves primarily as the commercial area of Kealahou Village, containing banks, shops, restaurants and a grocery store. This is a medium density residential area, as well. The 1907 Kona Hongwanji Mission is also located here.

These neighboring areas, with their historical sites, schools and commercial enterprises, provide a thriving community in which the Kalukalu Ranch Homestead site fits very well.

Fong Plantation General Location





Section G. Project Description

1. Briefly describe the overall significance and importance of the property and/or easement.

The residents of windward O‘ahu have fought for many years to protect and preserve the rural lifestyle, scenic beauty, agricultural lands, and historical and cultural resources of their land. While Honolulu and O‘ahu’s second city of Kapolei, and the suburbs of ‘Ewa and Mililani, have experienced exponential development and urban growth, windward O‘ahu and the North Shore have held fast to a less developed and more rural lifestyle. Keeping large properties and significant areas protected from further development and urbanization is critical to maintaining the rural character and ambiance of windward O‘ahu. Voluntary land conservation is a vital and critical tool, which allows for an alternative choice for landowners who may consider subdivision and development as the only way to see a financial return from their property. The Fong Plantation property is a lush tropical garden that preserves and perpetuates the area’s rural character, aesthetic and scenic resources of the Ka‘alaea hillside, and perhaps most importantly, fosters the continued growth and cultivation of hundreds of fruit trees, tropical flowers, and native plants. Hawai‘i currently imports over 90% of its food. Keeping properties that are in agricultural production such as the Fong Plantation, which has over 100 fruit producing lychee trees and over 150 productive mango trees, as well as hundreds of other trees, including coconut, breadfruit, banana, avocado, lilikoi, mountain apple, starfruit, and tangerine, is vitally important to the food security and self-sufficiency of our islands. This conservation easement will purchase and forever extinguish any rights to develop this property in perpetuity. The easement will permanently remove the speculative development value of the property and ensure that the agricultural and natural resources of the property are preserved and protected. This project also has the support and commitment of a private foundation, the Sidney Frank Foundation, which has pledged matching funding for this project.

2. Identify any conditions that threaten the significance and importance of the subject site.

This TMK parcel of the Fong Plantation includes 18 acres that are already designated as Urban in the State Land Use Classification system. Therefore, the landowners would not need to change the State’s land use designation if they sought to further develop the 18-acre portion of the property, but would only need to obtain the necessary permits and approvals from the City and County of Honolulu. Although the rest of TMK parcel’s 91 acres are classified as Conservation under the State Land Use Classification system, the property is a highly desirable and developable property given its panoramic views, proximity to the Kamehameha Highway, access to utilities, and location just blocks away from Kāne‘ohe Bay. Development pressure in windward O‘ahu is strong even during this economic recession. Recent proposals include the proposed redevelopment of Kāne‘ohe’s Bay View Golf Course, which would include 300 homes, and the proposal by Brigham Young University to develop 1,200 homes mauka of Malaekahana. Voluntary conservation of rural and agricultural areas is key to maintaining the rural and country character of this area.

Section H. Stewardship and Management

3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property/easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

The Senator Fong's Plantation and Gardens will continue to operate as a family owned tropical garden offering guided tours of its scenic valleys and plateaus, including hundreds of trees, plants, and flowers. The visitor center also provides lei making classes, a gift shop, drinks, and fruit stand. The plantation also offers the rental of its facility for weddings, receptions, lū'aus and parties. The landowners have an approved Conservation District Use Application from the Department of Land and Natural Resources, as well as a Conditional Use Permit from the City and County of Honolulu to operate the plantation and gardens.

The conservation easement will ensure that the agricultural and natural resources of the property are preserved and protected and that there is no additional urban or commercial expansion or development that will occur on the property. The conservation easement will be owned and monitored by the O'ahu Land Trust (OLT). The OLT is a new private 501 (c) 3 land trust established to own and manage fee simple conservation land and conservation easements for the public benefit. The Trust for Public Land is negotiating the establishment of an endowment to fund a portion of the management and monitoring of the conservation easement.

While this will be one of the OLT's first projects, it will not be the first project for OLT's experienced board members. The president of the Board of Directors is Howard Killian, who recently retired as the U.S. Army Pacific Region Installation Management Command Deputy Director, and previously served as the Hawaii Garrison Commander. Mr. Killian was instrumental in building public and private partnerships and the successful implementation of the Army Compatible Use Buffer program. With Mr. Killian's leadership and guidance, the U.S. Army assisted in the purchase and preservation of 3,716 acres in Moanalua Valley, 1,129 acres in Pūpūkea-Paumotu, and 1,875 acres in Waimea Valley.

OLT's Executive Director is Cynthia Rezentes. Cynthia is the former president of the OLT Board of Directors and is the former chair of the Wai'anae Coast Neighborhood Board. She has a Master's Degree in Electrical Engineering, and worked for IBM for over 17 years holding several management positions. She has extensive community experience with neighborhood boards and Wai'anae watershed projects.

There has been no formal archaeological survey of the property, however, the natural and cultural resources of the property will be preserved and protected by the conservation

easement, ensuring that no additional urbanization and development occurs on the property.

Section 1. Cultural and Historical Significance

4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information:

- a. Name of area; translation and possible interpretation;**
- b. Known pre-contact history and land uses; and**
- c. Neighboring areas/ahupua`a information and its relationship to the site being considered.**

The Senator Fong's Plantation and Garden is located in the ahupua'a of Ka'alaea in the district of Ko'olaupoko, on the island of O'ahu. Ka'alaea can be translated as "the ocherous earth," which is used by Hawaiians as seasoning with salt, for medicine, for dye, and in the hi'uwai purification ceremony. Ka'alaea was also the name of the wife of Puniakai'a, whose parents were of the royal lineages of Ko'olaupoko and Ko'olaupoko.

Although no formal archaeological surveys have been completed on the property, the ahupua'a of Ka'alaea is mentioned in several traditional stories and legends. Ka'alaea was the home of the legendary thief 'Iwa, who was known as "Ka 'Aihue Kaulana o Ka Mokupuni o Kākuhihewa," or "The Famous Thief of the island of Kākuhihewa." Kākuhihewa is a famous ruling chief of O'ahu, who ruled in the mid 1600's. 'Iwa was famous for his cunningness and trickery. In the traditional legends, he is put through several tests by the great chief 'Umi and succeeds in each one.

Ka'alaea is also the home of Waolena, one of the wives of the great chief La'amaikahiki, and the daughter of the chief of the ahupua'a of Ka'alaea, Ahukini. Ka'alaea is also mentioned in one of the epics of Hi'iakaikapoliopele, in which she battles with Pueo, a chief of Ka'alaea.

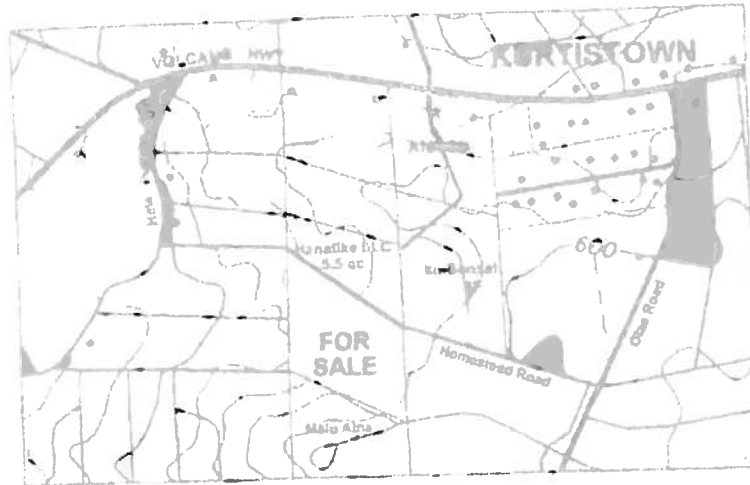
Pu'u Kāhea in Ka'alaea is said to be located on the ridge between Ka'alaea and Waihole. Below the pu'u is a spring and a pool named Hi'iaka. According to Richard Paglinawan, Pu'u Kāhea was used as a lookout for the head fisherman or signalman used by the fisherman.

In the Māhele, the ahupua'a of Ka'alaea was given to William Charles Lunalilo, the sixth King of Hawai'i. Lunalilo's father, Kana'ina was his konohiki who would manage his lands. In the mid 1800's, the konohiki would publish the name of the i'a (fish) and li'au (plant/tree), which they would place under kapu, in the Hawaiian language newspapers to inform the maka'āinana of the kapu. One of the kapu fish of Ka'alaea under Kana'ina was the he'e (octopus).

According to Handy, "the broad flats of Waihe'e from the seashore inland are continuous with those of Ka'alaea to the north and Kahalu'u to the south. These contiguous flats, all sectioned with terraces, make one of the largest single areas of wet-taro land on the Ko'olau coast."

In the 1860's, there was a sugar plantation in Ka'alaea, however, the plantation did not fare well and it was subsequently closed.

The adjoining ahupua'a are Waiāhole and Waihe'e. The taro lo'i of Ka'alaea were continuous with those of Waihe'e. According to Kamakau, Waiāhole was one of the lands that were given to the kahuna class from the days of Kamapua'a, along with Waiamea, Pūpūkea, and Hakipu'u. This continued under the rule of Kahahana, Kahekili and Kalanikūpule, and Kamehameha. Under Kamehameha, Waiāhole was given to the kahuna class of Lonoarnauki.



**SELL
DEEP SOIL
(TMK 1-7-002-016)**

is" at the same price \$250,
it is a reasonably quick clean
including all necessary
Attorney Ralph Black Hill
of Sale and oversee escrow
other costs beyond the purchase
st cooperate to minimize the
as a "gentleman's estate"

4.13 acres to a Hawaia po
of \$183.36 per month payab

on the 15 of each month including rent and a proportional property tax amount. Renter
has requested that we keep him informed as he would like to work with the new owner
and would need a minimum of two months notice to remove his field stock.

The Fukumotos closed escrow early in 2008 only to recently learn that the
5.5 acre parcel between Fuku-Bonsai and this property was forced to come up for sale
The Fukumotos have begun escrow purchase and are in the process of forming
Hanalei LLC with others. The 5.5-acre parcel will be consolidated with the 12.11-acre
Fuku-Bonsai property and subdivided to create an optimum site for a new Kurtistown
Fuku-Bonsai Cultural Center.

FOR MORE INFORMATION, CONTACT

David W. Fukumoto
c/o Fuku-Bonsai (PO Box 6000, Kurtistown, Hawaii 96760)
Phone (808) 982-9880 or 966-7668
Email: david.f@fukubonsai.com

Subject to prior sale or revision of terms.

August 22, 2008



SECTION G. PROJECT DESCRIPTION

1. Briefly describe the overall significance and importance of the property and/or easement.

In FY2008, Malu Aina submitted an application for funding under the Legacy Lands program for this specific project. However, at the final stage of review the project was denied funding by Governor Lingle. As such, the project has been on hiatus as the organization has worked to reconfigure existing resources and secure new funds in the current challenging economic climate. The landowner is still very willing and committed to working with Malu Aina and has made a good faith effort to hold the property until such funds can be secured to purchase the land. Unfortunately, time is running out.

Under the new FY2009 Legacy Lands solicitation, Malu Aina has increased its amount of matching funds and partnered with Hawai'i Island Land Trust (HILT). HILT is a local, tax exempt, community-based land trust working island-wide to facilitate the preservation of cultural, environmentally sensitive, and historical lands for future generations to enjoy. Malu 'Aina will seek to protect this acquisition with an agricultural conservation easement to be held by HILT that will protect the agricultural character of the property in perpetuity. An executed Memorandum of Understanding to this effect between Malu Aina and HILT is included with this application.

The 11.14-acre property is significant and important because it is prime agricultural land, with kipuka deep soil. It has a County General Plan designation of Important Agricultural Land (IAL). Situated at 600+' elevation, near Volcano Highway 11 on the slopes of Kilauea and Mauna Loa, it enjoys abundant rain for growing a wide variety of fruits and vegetables. It is very close to the population center of Kurtistown—offering the possibility of opening a farmers' market either at a nearby church or even closer cultural center. It will expand opportunities for us to share food, without cost, to people in need.

The property also has the advantage of bordering our non-profit organization's 22-acre organic farm. We are committed to keeping our own property and the surrounding neighborhood intact as agricultural land. This commitment is also shared by our neighbor—a farmer and current owner of the parcel we wish to acquire.

2. Identify any conditions that threaten the significance and importance of the subject site. This may include anticipated uses of neighboring lands, environmental conditions (e.g. sedimentation, runoff, invasive species, conflicting activities, etc.).

There are definite conditions, both existing and potential, that could pose a threat to maintaining the pristine agricultural nature of the property. The threat of the area becoming a "gentleman's estate" enclave is very real. The trend is clear: important agricultural land is not being used for agriculture. Two properties in the immediate vicinity are for sale. One of them has only a lawn under cultivation. Across the road from these two, the current owner of a large property has planted lawns and rows of privacy trees, with all indications of readiness for subdivision. If such upscale residential development is allowed to become the pattern, shopping malls and other commercial enterprises will not be far behind.

Should these anticipated, undesirable uses occur, there will inevitably be negative environmental impacts on the subject property. Its downslope location will be the victim of runoff, erosion and the introduction of invasive species.

SECTION H. STEWARDSHIP AND MANAGEMENT

3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property/easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

The underlying purpose for seeking this property is to preserve prime agricultural land, promote food self-sufficiency, and build a sustainable food future. The property is situated in Puna District, an area with high unemployment and a high percentage of low-income residents. It is one of our state's poorest districts. Surrounded by poverty, we see our role as both economic and humanitarian.

World oil prices are escalating. Related increases in shipping costs impact heavily on Hawai'i, which currently suffers from its over-reliance on imported foods. Our proposed use of the land is to grow food for our local community—both for sale at an affordable price and to share, without cost, to people in need. Though sales through local outdoor markets and natural food stores might be termed "commercial," our purpose is definitely not to grow for profit. As has always been our practice, whatever modest income is realized through food production will be shared with others and used for the educational activities to which our non-profit organization is dedicated.

The Center for Non-Violent Education and Action (CNVEA) has nearly 30 years of stewardship experience in managing and caring for the 22 acres of land entrusted to its care. Established in 1979 as a non-profit corporation, its members have successfully converted abandoned sugar plantation acreage into Malu Aina Farm—a small-scale, diversified agricultural project that produces organic fruit and vegetables for local consumption and distribution. Tilapia and catfish are also raised in a number of fish-tanks scattered throughout the farm. The farm is home to a small, all-volunteer community that welcomes interns and guests from around the world to contribute time and skills—and to be educated in the ways of simple living and sustainable agriculture.

Building on our successful track record spanning three decades, we envision great possibilities for expanding existing programs and initiating new ones on the acquired property. One possible project is the development of a farm incubation center, which would include an heirloom and native plants seed repository. Malu Aina has already developed a kalo repository, consisting of 30 varieties. An incubation center could also train young farmers, help set up community gardens, and make plots available to individuals and groups to grow food for local consumption. In all that we plan for this property, our primary guide will be traditional, non-depleting methods of cultivating and caring for the land.

Finally, Malu Aina will seek a conservation easement on the new acreage to facilitate the permanent protection of these lands for agricultural use. Working together with Hawai'i Island

Land Trust, Malu Aina would grant this easement in perpetuity. This project is aligned with land use that will honor Hawai'i's people and heritage; value and perpetuate Hawai'i's natural and cultural resources; engender mutual respect among all stakeholders; and support a vital and sustainable economy. Hawai'i Island Land Trust would manage long-term stewardship of the conservation easement.

SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE

4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information: a. Name of area; translation and possible interpretation; b. Known pre-contact history and land uses; and c. Neighboring areas/ahupua'a information and its relationship to the site being considered.

The Fukunoto property is located in the Ola'a ahupua'a of the Puna District. Puna means spring source and the district has plenty of underground rivers and springs which feed down slope to the fish ponds at the former populous village at Kea'au Beach and the sacred site of Ha'ena point. Ha'ena means "intense breath," representing the first breath of life. Pua Kaniaka'ole Kanahele teaches all of her students of the chants of Kea'au and considers Kea'au Beach the birthplace of the Hula, where Hopoe taught Pele's sister, Hi'iaka, to dance the hula.

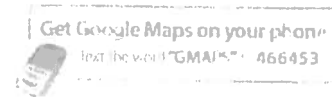
The Ola'a ahupua'a was an unusual land locked ahupua'a for a sacred forest area. Malu Aina has a working relationship with the Hawelu family (Lawrence and Richard) in Kurtistown and according to them, their family were the bird catchers of the Ola'a sacred forest for the unique colored feathers for the ali'i capes. In the 1800s the Hawelus operated a halfway house near what is now Mt. View for people making the journey from Hilo or Kea'au Beach to Volcano along the Kahiko Pele trail. At lower elevations of the trail ulu trees were planted as a food source for travelers along the trail. Many people, including Queen Liliuokalani and Mark Twain made that journey.

It is said that much of the forest in the Ola'a ahupua'a was initially cleared in the mid to late 1800s to make way for coffee being grown in the area and later replaced with sugar cane -- Ola'a and later Puna sugar companies. Lorrin Thurston, former owner of the Honolulu Advertiser and key architect in the overthrow of Hawaii married Clara Shipman of the Shipman family. The Shipmans and Thurston were involved in the Ola'a and Puna sugar ventures located in both the Ola'a and adjacent Kea'au ahupua'a. The Kea'au ahupua'a belonged to the Lunalilo Trust that was to benefit the poor. The missionary trustees sold off the lands of Kea'au to fellow missionary W.H. Shipman 64,000-acres for \$20,000 or 29 cents per acre, a bargain price even by the standards of the late 1800s. Today the Lunalilo trust is one of the poorest of the Hawaiian trusts.

Malu 'Aina is on the edge of the Ola'a ahupua'a and the Kea'au ahupua'a. The name --Malu 'Aina was given by Bernard Punikaia of Kalaupapa and Hale Mohalu. His translation was "Land of Peace", but he said it also means to shade and protect; to nurture the land that will nurture us. The east side boundary of Malu Aina is the border of the Kea'au ahupua'a and is the site of the trail heading from Hilo and Kea'au Beach to Volcano. James Ahia who was a long time Ola'a resident and member of Ola'a Hawaiian Congregational church said his favorite taro grown in the area was lauloa, which has a white corm and makes very good poi. He gave Malu Aina lauloa and several other taro varieties to plant.

Today, the present rural subdivisions -- Orchidland, Hawaiian Paradise Park, Hawaiian Acres, Fern Acres, etc. are all located in the Kea'au ahupua'a. Kurtistown, Mt. View and surrounding prime agricultural lands are all in the Ola'a ahupua'a and are coming under increasing pressures for urban development.

Google maps Kahaualea Natural Area Reserve

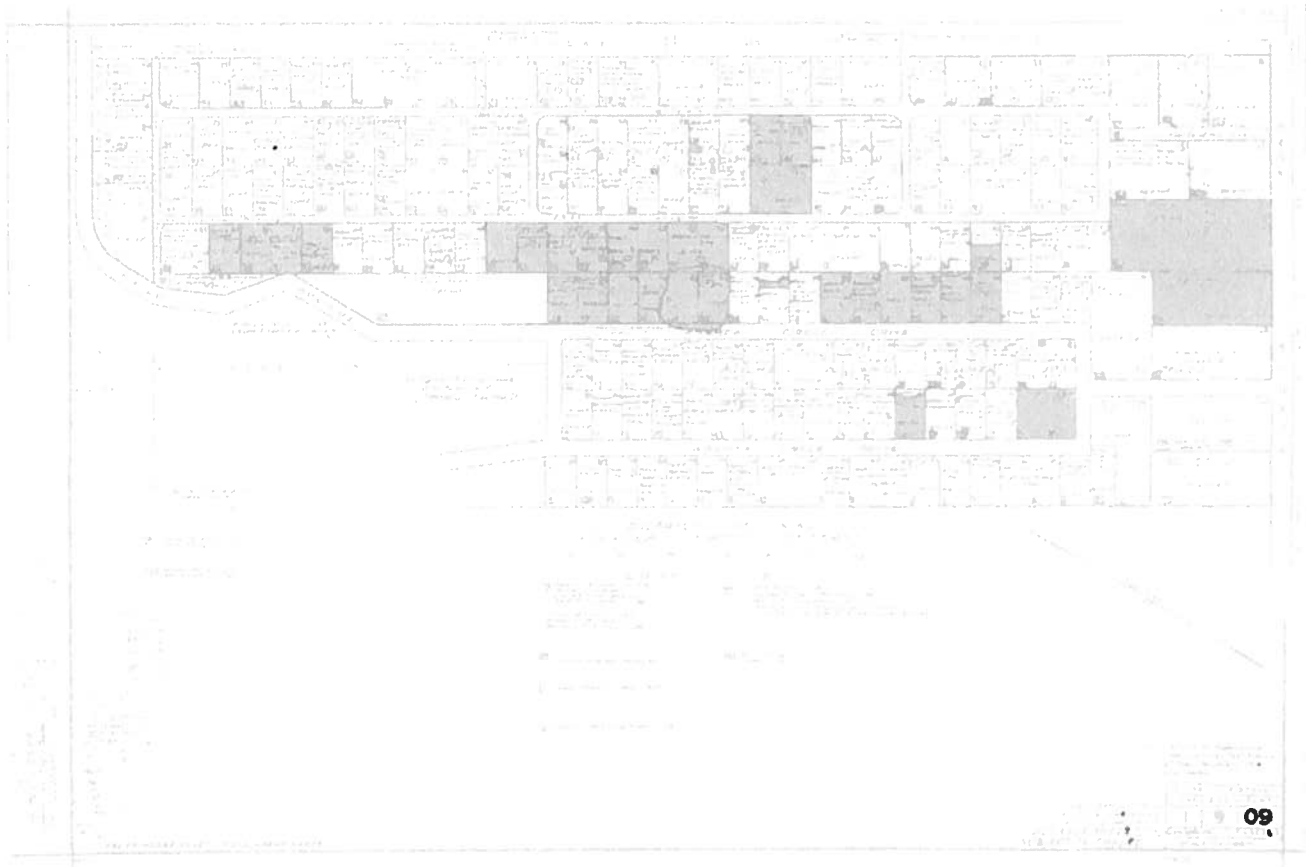


A. KAHAUALEA NATURAL AREA
RESERVE

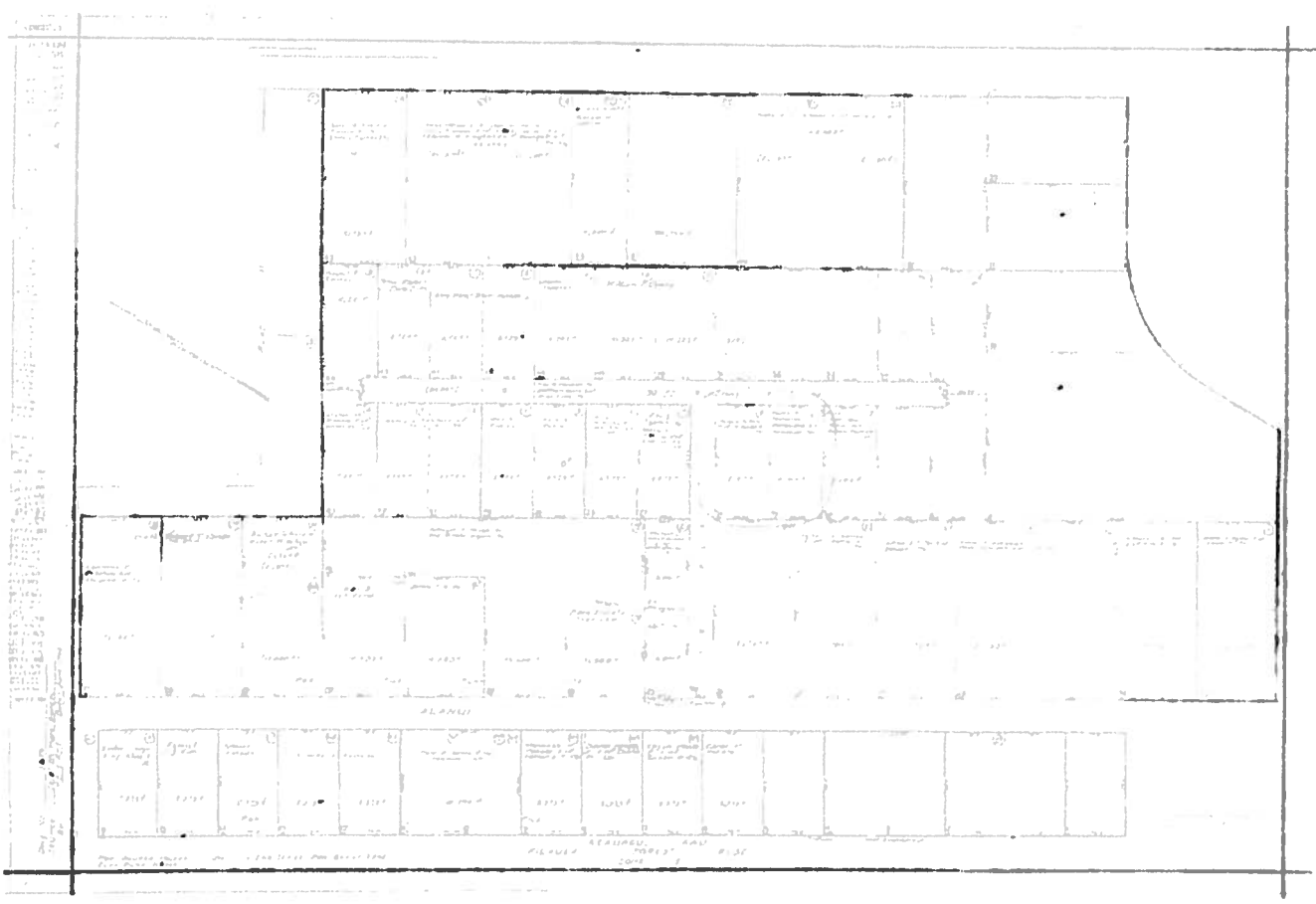
B. Lava Tube
(808) 985-6000
Review

C. Island of Hawaii
19 E Kāwili St, Hilo, HI (808) 974-4221





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SECTION G. PROJECT DESCRIPTION

1. Briefly describe the overall significance and importance of the property and/or easement.

The **Kipuka Mosaic Project** is a unique, grassroots conservation strategy that has brought together many small landowners, wildlife experts, land conservation professionals, HILT and other groups to propose protection of small oases (the **kipuka**) of intact forest canopy in the Volcano community to preserve the ability of native birds, insects and plants to travel and/or propagate along the southern flanks of Mauna Loa. We are working with a group of landowners in the community and will secure up to 20 or more conservation easements to facilitate and protect this wildlife corridor. With the support of Legacy Land funds, we will target, secure and monitor an initial three easements on five parcels.

The largely undeveloped subdivisions around Volcano form a potentially disastrous break in forest cover between Hawai'i Volcanoes National Park, Kahauale'a Natural Area Reserve and the Ola'a Forest Reserve. Many endangered species of birds, plants and animals that live in the area cannot cross the large open spaces that will appear if the subdivisions are cleared further. Willing landowners have come forward to conserve critical habitat that will form a stepping-stone pattern of forest canopy (the **mosaic**) across the subdivisions.

The project will: (1) Preserve native 'ōhi'a forest and associated plant communities in perpetuity, (2) Extend the resource protection afforded to neighboring Kahauale'a Natural Area Reserve, Ola'a Forest Reserve and Volcanoes National Park, and (3) Promote extension of conservation easements throughout the Volcano community. The project invokes the ancient Hawaiian ideal of "*pohopoho*" - the act of patching pieces together to save the whole - and will create a living series of links between protected forests surrounding the community.

Through this project, HILT will:

- Educate local landowners about the Project
- Identify potential easement donors in the Project area
- Identify and prioritize high-importance parcels
- Guide landowners through the process of donating their easements
- Assist landowners in assembling baseline data and provide support to appraisers and surveyors
- Steward properties by annual easement monitoring
- Assist in invasives control with the support of the Three Mountain Alliance
- Enforcement of easement provisions

2. Identify any conditions that threaten the significance and importance of the subject site. This may include anticipated uses of neighboring lands, environmental conditions (e.g. sedimentation, runoff, invasive species, conflicting activities, etc.).

Imminent future development presents the greatest risk to this fragile ecosystem. Lots in the Volcano area are being further subdivided and, in many cases, scraped of all vegetation. Landowners frequently cut the canopy in order to let more light into their lots. These breaks in the canopy make the normal movement of wildlife increasingly difficult, degrading the conservation values of the surrounding protected areas. Inadvertent or deliberate introduction of invasives into the subdivision area also degrades the native forest character.

HILT seeks to protect critical lands and conserve Hawai'i Island's rapidly disappearing natural treasures. Due to the ecological importance of our island and the native species it hosts, it is imperative to protect these critical lands and defend them in perpetuity. Over the last seven years, Hawai'i Island has experienced significant population growth and land development. The **Kipuka Mosaic** is unique in that it will not only protect native forest canopy and its resident flora and fauna. It will also form a critical bridge between other protected areas so wildlife can pass as freely as possible. A healthy native wildlife population will enhance the value of all the property in the Volcano area.

As the principal economic engine for the state, tourism provides 183,000 jobs in Hawai'i and 23 percent of the tax revenues of the State. Development in tandem with tourism is less desirable for the fragile ecosystems, endemic species, and critical habitats found throughout the islands. If tourism is to continue to benefit the local economy, emphasis must be placed on the protection of valuable habitat as part of the Hawai'i experience.

SECTION H. STEWARDSHIP AND MANAGEMENT

3. Briefly describe the proposed use of the acquired property or easement including any short and long term goals, resource management plan, sources of start up funding, operation and maintenance funding. Disclose any intended commercial uses. Will any intended activities on the land require permits? What entity (if not the applicant) will manage the property/easement? Please describe the expertise and experience of the managing entity. How will any cultural resources that are present integrate into the overall preservation/protection and use of the property?

The acquired easements will be protected as native forest canopy in perpetuity. The Stewardship Plan for each easement will provide for annual monitoring, invasives control and the maintenance of a continual record of changes to the plant and animal populations. There will be no commercial use of the protected forest canopy, nor are any uses requiring permits foreseen. Though each owner of the underlying fee will be responsible for maintaining the conservation values described in each easement, HILT will work in partnership with each landowner to ensure the success of the easements.

Conservation easements are highly successful conservation tools that have protected over 37 million acres of land in the United States. Nationwide, over 2 million members and over 100,000 volunteers support 1,700 land trusts. Land Trusts trace their success to a simple process: willing landowners work with dedicated land trusts in their own communities. This grassroots relationship is a powerful force for conservation. The **Kipuka Mosaic Project** is a classic land trust scenario. Local people have joined together to protect land they love. In a perfect symbiosis, land trusts help build the communities they rely on.

Because they contain rare wildlife and wildlife habitat, HILT's **Kipuka Mosaic** easements will prohibit any further damage to the forest canopy. This will ensure that residents and visitors to the area can continue to enjoy and learn about this largely intact native ecosystem. In addition, the easements will create a living link between vital ecosystems to promote the survival of rare endemic species of flora and fauna. The health of these lands is strongly connected with the quality of life for the local community. For many, the largely pristine environment of the Volcano area is the reason they live, work and visit there. Beyond biological values, a network of private properties dedicated toward promoting an intact forest canopy makes a profound statement about the value Volcano residents give to their living environment. Not only are the residents of Volcano dedicated to conservation of their native forest; they also are dedicated to harmony among their landscape, built environment, culture, and their National Park and Natural Area Reserve neighbors.

HILT will measure the success of this project by the actual number of conservation easements donated, new members from the Volcano area, and involvement by partner organizations.

HILT is led by its full-time Executive Director, Doug Sensenig, and a part-time Development Director. Doug has a law degree and has been involved with land trust work since 1987. Until April 2009 he was Board President of Coastal Mountains Land Trust in Maine, which stewarded approximately 30 preserves and 35 easements. He has drafted numerous conservation easements

as well as facilitated an easement on family property. Additionally, he has created a Charitable Remainder Trust to benefit land conservation and has done public speaking on Planned Giving for conservation and has counseled landowners on the benefits of land preservation.

HILT has formed a partnership with the Volcano Community Association (VCA) and is seeking partnership with Three Mountain Alliance (TMA) to implement the Project. VCA members have made the Project possible with their planning, enthusiasm and expertise. TMA provides watershed protection and management to over one million acres across Mauna Loa, Kilauea, and Hualalai. HILT will seek TMA's expertise to address stewardship challenges such as invasive weeds, fire and feral pigs within the areas protected by conservation easements. HILT gratefully acknowledges the substantial work that has been done on the Project by Suzanne Case and her staff at The Nature Conservancy.

SECTION I. CULTURAL AND HISTORICAL SIGNIFICANCE

Please attach an answer to the question below on a separate sheet and attach it to the application form. Please limit the length of your answer to Question 4 to two single-spaced page, Times New Roman 12-point font, 1 inch margins.

4. Briefly describe the cultural significance and historic uses of the property. As guidance, please consider the following information: a. Name of area; translation and possible interpretation; b. Known pre-contact history and land uses; and c. Neighboring areas/ahupua'a information and its relationship to the site being considered.

Prior to European contact with Hawai'i, the land was part of the Hawaiian land area known as the Ahupaua'a of Kea'au, which extended from the sea along the southeastern shore of Hawai'i Island up to the summit of Kilauea Volcano. The present-day village of Volcano sits very near the intersection of the Kea'au, Keauhou and Kahanalea ahupua'as. To our knowledge, no significant agricultural use was made of the easement area by pre-contact Hawaiians other than perhaps for hunting and gathering. Kea'au ahupua'a was acquired by auction in 1882 by W.H. Shipman and subsequently incorporated into the Shipman Estate. The portion of it that now includes this Protected Property was later sold to rancher and timberman, Rudy Tang, who allowed cattle to graze in the forest, and harvested 'ohi'a trees to be used as railway ties. Tang sold his property in the late 1940s or early 1950s to the land developer, Winternitz, who subdivided the land into residential lots and sold them to private owners. One of these subdivisions became the Hawaiian Orchid Island Estates.

COPY



**HAWAII STATE LEGISLATURE
STATE CAPITOL
HONOLULU, HAWAII 96813**

February 22, 2010

**Ms. Laura H. Thielen
Chairperson
Board of Land and Natural Resources
P.O. Box 621
Honolulu, Hawaii 96809**

Dear Chairperson Thielen,

Chapter 173A, Hawaii Revised Statutes, imposes upon the Senate President and House Speaker the duty of providing advice to the Board of Land and Natural Resources before certain actions may be taken with respect to the acquisition of land having resource value to the State.

To fulfill this duty, we have reviewed the Legacy Land Commission's list of recommended grants from the land conservation fund in fiscal year 2009-2010 for the acquisition of such lands. In addition, we have discussed the recommendations with a Commission member and staff.

Based on the review and discussion, we agree with the Commission that the following grants be funded, provided that matching funds are secured by March 31, 2010:

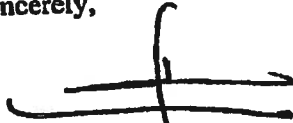
- (1) County of Hawai'i and the Trust for Public Land (TPL), \$945,000 for the acquisition of 10.61 acres on the Island of Hawai'i, coastline lot within Pao'o ahupua'a, North Kohala District;**
- (2) Department of Hawaiian Homelands (DHHL) and TPL, \$500,000 for the acquisition of 63.701 acres on the Island of Maui, 'ili of Paukukalo, ahupua'a of Wailuku and Wai'ehu, in the Wailuku District, to be held by the State DHHL;**
- (3) Department of Land and Natural Resources (DLNR) Division of Forestry & Wildlife (DOFAW), \$500,000 for the acquisition of a conservation easement over 614 acres on the Island of Moloka'i, East Moloka'i, Kainalu; mauka of Kamehameha V Highway;**

Chairperson Laura H. Thielen
February 22, 2010
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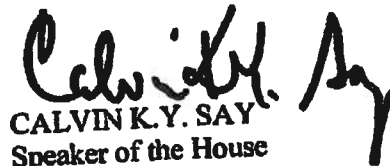
- (4) Kaua'i Public Land Trust (KPLT), \$800,000 for the acquisition of 0.74 acre on the Island of Kaua'i, on Hanalei Bay directly next to the Hanalei Pier, to be held by the County of Kauai;
- (5) Kona Historical Society, \$255,952 for the acquisition of 2.11 acres on the Island of Hawai'i, South Kona, makai of Mamaloahoa Highway;
- (6) TPL and Oahu Land Trust, \$500,000 for the acquisition of a conservation easement over 107.73 acres on the Island of O'ahu, ahupua'a of Ka'alaea, in the Ko'olaupoko District, to be held by the Oahu Land Trust;
- (7) Malu Aina Center for Non-Violent Education and Action and the Hawaii Island Land Trust (HILT), \$231,788 for the acquisition of 11.14 acres on the Island of Hawai'i, Puna District; ten miles south of Hilo, makai side of Highway 11, with a conservation easement to be held by HILT; and
- (8) HILT, \$35,000 for the acquisition of conservation easements over 6 acres on the Island of Hawai'i, Puna District; in Hawaiian Orchid Island Estates adjacent to Kahauale'e Natural Area Reserve.

Thank you for the opportunity to provide these recommendations. If we may be of further assistance, please feel free to contact us.

Sincerely,



COLLEEN HANABUSA
President of the Senate
State of Hawaii



CALVIN K.Y. SAY
Speaker of the House
State of Hawaii